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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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LOWER FREIGHT RATES WOULD SWELL TAXES

Unless Accompanied by Reduced Costs for Service

UNIONS VS. ECONOMICS

Coal Strike will Mean Industrial Depression and Unemployment—Reason in Shoe and Textile Trades

The former statistician of Canada's Department of Railways, J. L. Payne is quoted by an Ottawa correspondent of the Philadelphia Public Ledger as saying that the Canadian Northern Railroad alone has receiv- to date enough money from the Government to have built ten Canadian Pacifics. Mr. Payne is also authority for the statement that since 1914 the Canadian Government has spent $763,000,000 on its railroads. The effect upon the national financial position is very serious as indicated by an analysis, elsewhere in this issue, of the public accounts.

One of the arguments in favor of a general reduction in freight rates which is being used by the gallery-playing newspapers is that such rates provide dividends for the Canadian Pacific and that the investors are not entitled to them under the conditions prevailing. Strangely this criticism comes largely from Western Canada. Of course there is general sympathy for the Western farmers and a desire to see a return of prosperity to the West, but it would be a short-sighted policy to bring about cheaper rates at the expense of efficient service—and that is what it would mean to cut dividends to a level where the company would not be justified in making expenditures in the maintenance of its service.

Then too, it should not be forgotten that while the profits of the Canadian Pacific are being cut the deficit on the government roads will be likewise increased and the terrific burden on the taxpayers added to. The solution of the problem entailing relief for the public in freight rates without burdening the taxpayers lies in the reduction of the cost of the service and in this regard wages are of course, the dominating factor. How the railway burden is mounting, even on the basis of the present freight rates, is indicated by Mr. Payne's statement:

> "At least $763,637,214 and probably $100,000,000 more has been added to the debt of Canada since 1914 on account of publicly-owned railways. Have the people of Canada been aware of that fact? They have not. They have believed the war was responsible for all the growth of our debt. Every time this gigantic debt snow-ball makes an annual revolution it has the terrible power of adding at least $38,000,000 in interest. If there were nothing else but this interest and the deficits, the national railway system is costing at least $108,000,000 a year.

Lower Wages or Factories Move

Reports from various parts of the country indicate that the adjustment of wages in line with the reduced cost of living is proceeding slowly, much too slowly to encourage the idea of early industrial prosperity. Shoe workers in the New England states have finally decided to take a reduction. In this territory both the shoe and textile industries have been seriously depressed with factories closed down where the workers would not take a reduction to a basis to enable the successful marketing of the product. The result was that new shoe and textile enterprises have been launched at St. Louis and other middle-west cities. Evidently the workers are now coming to see that they will not only lose their jobs temporarily but may lose them permanently if they will not face the economic problem involved.

Unionism Versus Economics

Labor unions may enforce their wage schedules and regulations of hours but they cannot make jobs. The coal miners are now proposing to test the laws of unionism against the laws of economics. When the cost of living and the industrial situation warrants wage reductions an increase of 20 per cent. is asked, both by the hard-coal miners and the soft-coal miners. This means an added cost of about $1 a ton for coal at the mine. It also means that hundreds of millions of dollars will be the additional cost to the public annually if the miners succeed in their demands.

The situation seems a critical one. Coal mining is an important key industry. During the past few years the highest coal prices ever recorded

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Big Prices Being Paid For Cattle in Mexico

An interesting item of importations into Mexico during January was the purchase of over 1,000 head of blooded dairy and range stock from Iowa and Minnesota. The prices are reported to have been $150 to $200 per head, United States currency.

Canadian cattle during January were selling at sacrifice prices. The freight to Mexico would be about $20 per head. Why is this market not made available to Canadian breeders? The Department of Agriculture or the Department of Trade and Commerce might answer this question.

Fools and Their Money Just Will Get Parted

From Our Own Correspondent

REGINA.—An imitator of the notorious Ponzi has victimized people in Regina and district to the extent of about $20,000.

The shrewd crook, for whom the police are now diligently searching, claimed that he could double investments within a fortnight by manipulating New York exchange. His victims were told that he had a "close acquaintance with a banker in Montana." This banker would receive Canadian money at par and later American money could be procured, brought here and cashed at a premium.

Surprisingly crude as this swindle was, it worked. One of the victims was mulcted to the tune of $3,500.

Bankers in New York Look for Higher Exchange

From Our Own Correspondent

NEW YORK.—Unless the Canadian Government should decide to float a large loan in this market during the next six months, many Canadian bankers here, in close touch with the foreign exchange markets, believe that the discount on the Canadian dollar during the next few months will work its way gradually back to six per cent. Few if any of them, apparently believe, however, that it can possibly go any higher. The days of fifteen per cent. are definitely past, it seems to be generally believed.

PROFIT $16,250,000 SAGUENAY DEAL

A Large Proportion Would Be Available For Dividends

From Our Own Correspondent

MONTREAL.—A study of the contract that has been made between a powerful group, consisting mainly of English pulp dealers and newspaper publishers who own converting mills, with the Saguenay Pulp and Power Co., indicates that the net profit accruing to the company over the period of 10 years covered by the contract will reach $16,250,000 or an average of $1,625,000 a year. This is computed on the contract agreement which will allow the company a net profit after interest, depreciation, etc., and all operating expenses, of $10 on every ton of groundwood pulp and $15 on every ton of sulphite pulp. Taking the total amount of groundwood to be supplied at 1,100,000 tons the profit on this alone would be $11,000,000. Taking the sulphite total at 350,000 tons the profit on this would be $5,250,000.

THE FINANCIAL POST understands that one of the terms of the contract calls for $7,000,000 of the payments to be devoted to wiping out the funded debt consisting of bonds and notes amounting in all to $11,500,000. This would leave the company at the end of the decade with only $4,500,000 funded debt, calling for a comparatively small annual interest payment. The balance of over $9,000,000 would be available mainly for dividends on the preferred and common stock of the Saguenay Company, an average of about $900,000 a year. The preferred stock, which calls for 6 per cent. dividend, amounts to $3,500,000 and the common to $6,000,000. The dividend requirements on the preferred amount to $210,000 a year, but it must be noted that there are arrears of practically three years or 18 per cent. of preferred dividends dating back to April 1, 1919.

By far the greatest part of the total production contracted for is for delivery in England, so that the company would be in excellent shape in its contract even if, as seems unlikely, that threatened 10 per cent. customs duty should be established by the United States authorities against Canadian as well as all other pulp.

SOUND ASLEEP AT OTTAWA OTHERS TAKE IMMIGRANTS

Australia Likely to Receive 100,000 from England This Year

From Our Own Correspondent

OTTAWA.—As compared with Australia and New Zealand the Dominion Government would appear to have been asleep in the matter of developing immigration to Canada during the past year or so. No effort apparently has been made to work in conjunction with the British Government in its offer to finance 50 per cent. of the cost of helping emigrants to various parts of the Empire to make permanent arrangements and maintain themselves. The attitude of the Immigration Department at Ottawa last year seems to have been dictated by a sympathetic feeling towards the attitude of a large section of the Trades and Labor Councils who were afraid that the encouragement of immigration to Canada would result in a large number of unskilled workmen coming over to increase the number of unemployed already in the country. Hopes that some definite plan covering all the overseas Dominions would have been developed at the last Empire Conference were not encouraged by Mr. Meighen, and a resolution approving of securing as many as possible of the emigrants from England to go to the other parts of the Empire was passed without further action to follow this up.

100,000 For Australia

Meanwhile Australia and New Zealand have been active in co-operating with the British Government and in a recent article the London "Evening News," intimates that nearly 100,000 British emigrants will reach Australia this year. It declares that Australia House is almost besieged with would-be settlers sometimes 1,000 daily. It adds that postal inquiries average 1,200 and at present 2,000 people are awating embarkation. There are still 15,000 men, women and children awaiting shipment under the British Government's scheme for former service men, and an unlimited number of assisted passages is offered boy settlers of the right type.

It is known that the Canadian Pacific Railway has brought before the Overseas Settler's Committee, appointed by the British Government, a plan of co-operation in the way of providing lands out West, with financial assistance in addition, and the matter is now under consideration. This committee was first given a grant of £300,000 and lately a grant of £2,000,000 was made to it.

There has been a theory held that it will be impossible for Canada to secure any large number of farm settlers from England, and probably this is true insofar as full fledged farmers are concerned. It is noteworthy, however, that when Col. Dennis, C. M.G., the head of the Development & Colonization Department of the C. P. R., was making a visit to the large agricultural school at Reading in England lately, over 10 per cent. of the 500 young men and girls who were in training there expressed the desire to take up farms in Canada, after a series of pictures had been shown them on a screen. The advice given them by Col. Dennis was favorable, provided arrangements could be made in Canada for training these young emigrants, both men and women, after they arrived in this country, in order that they might receive special instructions on Canadian methods of agriculture, special knowledge being obviously necessary.

INCREASING NEWSPRINT SALES

MONTREAL.—Official figures of newsprint production show that in January and February Canadian mills produced 159,712 tons compared with 135,125 for the similar period of 1921. Shipments stood even better 164,031 tons as against 128,935 tons one year ago.

Germans Hard at Work While Discontented Idle

The Association of German University Students seems to have got a thorough grasp on the economic situation. They have decided to send an open letter to all high school graduates intending to enter universities appealing to them to go to productive work instead of becoming an insupportable tax on their parents at this time—to go to work for the purpose of increasing the incomes of the German people. But in Canada particularly, and also in the United States, German agents are hard at work creating discontent and preventing Canadian workers from staying on their jobs.

Why Carruthers Quit

The public distrust of the management of Canada Steamship Lines, which seems unfortunately to have increased steadily, probably became defined for the first time when the former president, James Carruthers, decided to resign his position at the head of the company and to leave the Board entirely. It was known amongst those in close touch with the company's affairs that Mr. Carruthers had raised objections to certain practices and tendencies, not altogether dissimilar to those that have been referred to during the past few weeks in these columns. The impression generally received of Mr. Carruther's retirement was that he felt he could no longer associate himself with the vice-president of that time and the voting trust group, and still carry out, to his own satisfaction, his obligations to the shareholders. The general impression created then and still held, was that the voting trust group had reached the decision that it would throw its influence in with Mr. Norcross, who was then vice-president, rather than to continue to support Mr. Carruthers, who is reported to have been quite outspoken in expressing his opinion of certain incidents that had occurred or plans that were in course of preparation.

Admit That Voting Trust Must Go

The campaign that has been carried on for some weeks past by THE FINANCIAL POST in an effort to force a CLEANING-UP of the undesirable position in which the securities of Canada Steamship Lines, and the future success of the company, had been placed by the conduct of the management and its unfortunate relations with the Steamships Trust, appears to be bearing fruit in one direction at least. A cable received from London on Wednesday announced that the president of the company had called a meeting of the Advisory Board in London to discuss the question of the voting power of the company. It is stated that financial interests that have beeen negotiating for a bond issue of the company are anxious to have the control of the Trust handed over to them.

This in itself is an admission that the position taken a couple of months ago by this paper that the Trust was an "iniquity," and grossly unfair to the great body of shareholders, was fully justified. It cannot be emphasized too strongly that the maintenance of control over this Canadian company by a group of men in London, represented by Messrs. Dawson and Morden, will continue to prove a very serious obstacle to investors who may contemplate purchasing the bonds or stock issues of this company. It seems strange that this Trust was allowed to be perpetuated for years, and to be renewed for another 10 years, without any protest being made publicly against its existence until this appeared in these columns. This very silence does not tend to strengthen the confidence of the shareholders in the management, particularly when they have before them the suspicious example of the taking over of the Davie Shipbuilding Company by Canada Steamship Lines, through which two members, at least, of the Trust, and we believe more, were relieved of an obligation of $2,500,000, which in turn was loaded on to the shoulders of Canada Steamship Lines, and which probably more than any other individual step was responsible for the passing of the preferred dividend.

Whatever disposition is made of the present arrangement under which the

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The Bolshevik Campaign

Colonel Mackie's campaign, which is nine-tenths "Save Lenine and Trotzky" and one-tenth "Save the Starving Children," argues that Canada should be grateful to Russia because during the war the Russians had placed $800,000,000 of orders in Canada and the United States and that by showing our sympathy now Canada would get the inside track on the great business that is coming. As THE POST pointed out, Colonel Mackie is as far astray in his facts as in the opinion of the saintliness of the group of murderers he is attempting to force Canadians to accept. The total business Canada received from Russia during the war was $12,657,000, a mere trifle in Canada's foreign trade. It was also shown that Russia's trade never amounted to more than a half of 1 per cent. in Canada, or in the best of times more than 3-1/3 per cent. of British business.

This week the London Times, according to press cables, takes up the subject and confirms THE POST'S criticism of Colonel Mackie for asking Canadian audiences of intelligent people to believe any such nonsense. The Times says that it does not believe that at any time within the next twenty years will a single British workman be placed in employment as the result of a trade agreement or treaties with the Bolshevist Government. It simply declares there is no trade to be done with Russia.

Colonel Mackie, in his campaign for raising money for starving Russians, is showing himself an extraordinarily clever propagandist. No better planned or more cleverly carried out scheme has ever been worked upon the Canadian nation. Never before has a promoter been able to rope in the Prime Minister, and the leaders of two oppositions, the Speaker or the House, the Chief Justice of the Supreme Court of Canada, as completely as they have become entangled.

The Germans did some very clever things with the Canadian authorities during the war. They were "pikers" compared with the big Pembroke promoter. The Germans working through a New York banker, a high official of the United States Government, and an important official at Ottawa, in spite of every effort privately exerted by the British officials, ordered the prompt release of Trotzky from imprisonment in Nova Scotia that he might get quickly to Russia—as was well known—to take her out of the war on the allied side.

A Canadian Cabinet Minister inspired from the same sources ordered the seizure of any magazine that criticized Lenine and Trotzky.

May we ask these eminent public men to read the appeal issued by the Canadian Committee over their names and ask whether they have assured themselves that the statements contained in that advertisement are strictly accurate in every detail?

Investigate Merchants Affair in Interests of Banks and Banking

IT WILL BE a bad thing for Canadian banks and Canadian banking if the Merchants affair is allowed to go without a thorough investigation. A demand for an inquiry should, therefore, be heard from the Canadian Bankers' Association. And such a demand should be backed by the active co-operation of that body in seeing that the truth and the whole truth comes to light.

Canada has a banking system which stands second to none in the world. If additional proof of this were needed it was supplied by the way in which it passed through the strain of the war period. But the strength and efficiency of any business machine can only be maintained by a willingness to recognize any weaknesses. If the collapse of the Merchants was due to conditions which, because of the war or other developments, are new, then the Bank Act should be amended to meet these conditions. To this end the banks should offer their co-operation just as the trust and loan companies worked with the Ontario government to bring in new legislation to prevent a recurrence of the Dominion Permanent and Standard Reliance failures.

To repeat, we have in Canada a fine banking system. But it is evidently not fool-proof. To maintain that the banks are above criticism and the Bank Act too perfect for amendment in the face of the Merchants affair is arming astute provincial politicians with the very weapons they are seeking to conduct their campaign for government banks. The headway which these politicians have already made has been largely due to the complacency with which many Canadian bankers have so long regarded the criticisms of aloofness to everyday matters vitally affecting their depositors—the general public—as well as their customers.

The fact that the general manger of the Bank of Montreal, the purchaser of the Merchants, is president of the Bankers' Association makes it imperative that the association as a whole should act. An inquiry would pave the way to the periodical consideration of the amendments to the Bank Act next year.

THREATEN 10 P. C. DUTY ON ALL PULP CANADA TO U. S.

Senate Committee Assures Pulp Manufacturers of Legislation

CANADA'S DEFENCE

Might Suggest Export Duty on Pulp Wood—Heavy Pulp Exports—Another Underwood "Big Stick?"

From Our Own Correspondent

MONTREAL.—A wire received by a leading pulp dealer here states that the Senate Finance Committee in session at Washington has given a definite assurance to sulphite pulp manufacturers of the United States that impending tariff legislation will provide a duty of ten per cent. on all imports into the United States of every kind of wood pulp. This assurance, it is declared, was made in the face of opposition from newspaper publishers and mill men who are dependent ordinarily on Canadian or other groundwood and sulphite pulp for their converting mills. For a duty of this nature would leave them practically at the mercy of the United States pulp manufacturers.

If legislation of this character was passed at Washington it undoubtedly would be a severe blow to the pulp industry of Canada which is dependent to a great extent on the United States market. There is a disposition, however, among the mill men here, and exporters generally, to regard this threat as one more move to secure that great prize of the United States pulp and paper men, the removal of the restrictions placed by provincial authorities in Canada on the export of pulpwood cut on Crown lands.

It will be recalled that a movement was begun a couple of years ago, and continued last year to prohibit the export to Canada of coal, sulphur and other raw materials unless there was the fullest freedom of export of Canadian pulpwood, but President Wilson vetoed the first and the latter died in course of time. The new movement is a rather subtle one, it is felt, a sort of bargaining measure to be "put up to" Canada. For the obvious subsequent step would be to put a tax on newsprint entering the United States, and thus afford the complete measure of protection for the pulp and paper men of the States. There is a feeling here, however, that the newspaper publishers will make their influence felt to the extent of defeating the measure, as Canadian pulp is required for newsprint in the States, as well as to continue the keener competition afforded by the entry of Canadian newsprint.

Scandinavians Real Competitors

Surprise is expressed in the trade here that recourse was not had to the anti-dumping legislation, for the real competitors of the United States pulp makers are the foreign mills, of the Scandinavian countries chiefly, rather than the Canadian. Foreign pulp and paper can be laid down at prices that United States mills cannot touch. This is due partly to the depreciation of Exchange in the European countries, and also to the fact that many of the mills are bankrupt and the banks are still forcing liquidation of stocks. Even with a ten per cent. duty imposed, the Scandinavian mills could send pulp into the United States, absorb this duty and undersell the domestic and Canadian mills. The Canadian mills could not do this, for their production costs are as low at present as they can get,

(Continued on page 4)

High Rents Keep Up The High Cost of Living

From Our Own Correspondent

REGINA.—High rents are playing a big part in keeping up the cost of living in Saskatchewan according to the city building inspector, O. T. Falls.

Mr. Falls states that although taxes have only increased 15 to 20 per cent in the city insofar as land and buildings are concerned, since 1914, rents have been boosted 100 per cent. and even higher.

The fabulous rents paid by merchants, he claims, is mainly contributory to the high prices prevailing in the provincial capital for staples as well as luxury commodities, the merchant being forced to keep up the price in order to provide for mounting overhead costs.

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Paid-up Capital - - -	10,860,852
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TOO MANY COLLECTORS

Toronto Telegram

Too many people are soliciting subscriptions for "the starving children in Russia." Those whose pity has been moved for the helpless in stricken Russia would do well to make reasonably sure that their contributions are going through official channels.

There is grave danger that unscrupulous persons may take advantage of the situation to exploit public sympathy for their own profit.

RAILWAY BURDEN CHANGES SURPLUS INTO A DEFICIT

Outstanding Feature of the Government Financial Accounts

REVENUE ON DECLINE

Continued Fall During February—Ordinary Surplus of $56,682,798 but National Debt up $64,872,946

From Our Political Correspondent

OTTAWA.—The statement of revenue and expenditure for the Dominion up to the end of February as issued by the Department of Finance shows a continuance of the fall in revenue for the month in most departments; the total revenue being $25,356,878 compared with $35,080,612 for the month of February, 1921. In this year's total Customs is down over $1,000,000 but shows a smaller decrease than has been usual lately. Excess is almost the same; Post Office reflects general business conditions in a decline of over $600,000, although the total receipts for the eleven months are larger than one year ago. War Tax revenue showed the business profits tax as gradually disappearing, being less than one-quarter of February, 1921, while Income Tax was little more than one-quarter; for a different reason, however, as so much was paid in the first installment by April 30 of last year.

Total Revenue Down $75,000,000

The revenue for the eleven months ending February 28, 1922, shows a total of $343,000,000 or $75,000,000 less than the total of $418,000,000 for the corresponding period of 1921. The greatest decline, as has been the case right through the year, is seen in Customs, excise stands remarkably steady and the post office is a little higher for 1922.

War Tax revenue, thanks to the Income Tax, showed an increase of about $25,000,000 for the eleven months with a total of $165,000,000 as against $140,000,000 in 1921. Income Tax to date is nearly $76,000,000 where one year ago it was under $33,000,000. Business Profits Tax, now off the statute books, brought in $20,000,000 as against $35,000,000 a year ago. Inland Revenue, that is sales tax, etc., brought in $67,000,000 as against $70,000,000.

For the fiscal year ending March 31, 1921, Customs receipts were $163,000,000 so that the receipts for the fiscal year in 1922 in Customs will be about $60,000,000 behind those of the previous year. Income Tax and Business Profits Tax together brought in $87,000,000 for the 1921 fiscal year, so that the total for 1922 should run well over $100,000,000.

The expenditure for the eleven months showed a considerable decrease fortunately, being $287,000,000 as against $330,000,000 or over $46,000,000 less. Interest on the public debt showed a decline of $9,000,000 while the items of Pensions. Soldiers' Land Settlement and Soldiers' Civil Re-Establishment, showed a total of $46,451,494 as compared with $62,631,868 one year ago, a decrease of $16,180,000. It seems certain that this total will gradually be reduced.

$72,000,000 for Railways?

The net public debt has increased from $2,307,013,156 at the end of February 1921, to $2,371,886,102 at February 28, 1922, an advance of $64,872,946. One item in figuring this out is significant, an increase in "non-active" assets from $337,781,679 to $409,653,421, or nearly $72,000,000. As railway expenditures are now classified as "non-active assets" it may be presumed that practically all of this increase was due to the railways—to say nothing of operative deficits.

For Month of February

	1922	1921
Total revenue...	$25,356,878	$35,080,612
Expenditure. . .	17,850,719	19,788,255
Surplus.	$7,506,159	$15,292,357

For 11 Months Ended Feb. 28

	1922	1921
Total revenue...	343,846,768	418,916,180
Total exp.	287,163,970	333,597,513
Surplus.	$56,682,798	85,318,667

Revenue in Detail

	Feb. 1922	Feb. 1921
Customs	$94,056,176	$152,794,645
Excise	33,672,886	33,725,962
Post office. . .	22,168,485	21,998,409
Pub. works, inc. rys and canals	1,103,671	37,119,452
War tax revenue		
Inland revenue	67,410,784	70,651,401
Bus. prof. tax	20,696,676	35,696,067
Income tax....	75,887,025	32,666,940
Other w.t. rev.	1,788,632	1,801,039
Other revenue.	27,062,430	32,462,261
Totals . . .	$343,846,768	$418,916,180

Expenditure in Detail

	Feb. 1922	Feb. 1921
Int on pub dbt.	$115,958,169	$124,820,093
Agriculture . ..	4,758,158	4,322,277
Pensions	30,606,124	32,267,567
Pub wrks con fd	8,640,615	8,098,664
Post office . .	20,081,819	18,014,338
D. lands & pks	3,536,496	3,361,210
Sold ld settl'm't	1,889,891	1,868,002
Do re-estaab..	13,955,479	28,496,299
Other ex. accs..	87,737,216	112,349,059
	$287,163,970	$333,597,513

IRON AND STEEL PRODUCTION

Still Further Decline in Output in January

The output of pig iron for January dropped to a new low level at 32,184 long tons, as compared with 39,917 tons in the previous month. The production of basic iron fell off to 23,137 tons compared with 30,098 tons in December. The production of foundry iron for sale was 9,047, this item showing an increase of to more than double the preceding month's production which was only 2,948 tons. In spite of the decline in the production of the month, two additional furnaces were blown in, one by Dominion Steel Corporation at Sydney and one by the Algoma Steel Corporation. During the final week of the month the demand was reported to be broadening slightly.

The production of steel ingots and castings during January declined almost 10,000 tons from the quantity reported for the preceding month. The actual output was 33,011 tons. The average monthly production during 1921 amounted to 56,000 tons, January production being only 60 per cent of the average.

JAPAN BIG MARKET FOR B. C. TIMBER

New Shipping Regulations Should Favor Canadian Lumber Mills

From Our Own Correspondent

VICTORIA.—Important possibilities are foreseen by British Columbia lumber interests in the announcement that the United States Shipping Board has ordered the cancellation of all preferential freight agreements existing between the Chicago, Milwaukee and St. Paul Railway, and the Osaka Shoshen Kaisha, a Japanese trans-Pacific shipping company which operates one of the largest fleets of steamships between this country and the Orient.

In view of the American laws against through bills of lading for foreign companies, the competition against Japanese ships by American bottoms will be so strong that they will be forced to divert their operations largely to British Columbia ports, resulting in the placement of largely increased lumber contracts by Japan with British Columbia mills. In view of the fact that last year Japan absorbed one-third of British Columbia's total exports of lumber, much importance is being attached to the Oriental market, and plans are now being perfected for sending a trade mission to Japan and China to report on the sales possibilities there and also stimulate the demand for even greater quantities of British Columbia lumber in the future. According to complete figures just issued by the Department of Lands here, this province's exports of lumber to Japan last year were more than ten times what they were in 1920.

SPRUCE BUDWORM DAMAGE IN MILLIONS

Serious Forestry Problem Found in the Maritime Provinces

From Our Own Correspondent

FREDERICTON.—The spruce budworm has destroyed standing timber on the Crown Lands of New Brunswick which if it had been cut would have brought to the Provincial government the sum of $19,750,000, according to a statement made by Hon. C. W. Robinson, Minister of Lands and Mines, during the debate on the address in reply to the speech from the throne. Mr. Robinson estimated that the total amount of lumber destroyed by this pest on the Crown lands, was four billion feet of fir and 360 million feet of spruce, while on both Crown and private lands the destruction aggregated six billion feet of fir and 560 million feet of spruce.

Mr. Robinson said the tendency of the forest industry in New Brunswick, now was to seek greater returns than was obtained by cutting big spruce logs and exporting spruce deals to the British market. The larger owners of timberlands were moving to utilize their limits to supply pulp and paper mills, thus obtaining larger returns from the forests, and at the same time increasing the opportunities for the employment of the people. The policy of the Crown Lands Department would be to encourage this tendency. Dr. Tothill, Dominion Entomologist, who has been attached to the Fredericton Laboratory for some time, announced this week that the spruce budworm had now practically run its course in New Brunswick.

EMPLOYMENT IN U. S.

Hopeful reports from states as widely separated as Michigan and Texas, New York and Kansas, form the basis of a bulletin sent out by president of the conference on unemployment to chambers of commerce throughout the United States and mayors of 300 of the larger cities.

STATUS OF TRADE ASSOCIATIONS IN UNITED STATES

Attorney General Replies to Questions Asked by Mr. Hoover

FREE COMPETITION

Trade Bodies All Right So Long as They do not Offend Against Laws of Sound Business

Due partly to recent legal decisions many questions have arisen as to the legal activities of trade associations. As almost everyone is a member of one or more associations and thereby assumes more or less responsibility for the acts of such bodies, the recent correspondence between Secretary Hoover and Attorney-General Daugherty on this subject is of wide interest.

Secretary Hoover asked the Attorney-General eleven specific questions, each relating to one of the customary or proposed activities of trade associations. These may be summarized as follows:

1. Providing standard or uniform systems of cost accounting.
2. Advocating and providing for uniformity of trade phrases and trade names.
3. Seeking the standardization of quality and grade of products.
4. Collecting credit information.
5. Arranging for the handling of insurance for members.
6. Engaging in co-operative advertising for the promotion of trade.
7. Engaging in the promotion of welfare work, trade education and prevention of accidents.
8. Handling co-operatively legislative questions that may affect a given industry, such as changes in tariff, taxes, etc.
9. Promoting closer relations between a particular industry and Federal and State departments of the government.
10. (a) Collecting statistics showing volume of production capacity, wages, consumption and distribution.
    (b) Compiling such information into a consolidated statement showing a grand total of production, etc., by districts.
    (c) Furnishing such information to the Secretary of Commerce for distribution to members of the Association and to the public generally.
11. (a) Collecting prices received for the sale of products during a specific period, and
    (b) Without making individual prices known consolidating all such price reports into one showing average prices.
    (c) Furnishing such price information to the Secretary of Commerce for public information.

With respect to all of these acts Secretary Hoover asked the question, "May trade associations engage in any or all of the activities named without violating the law, providing the organization and the activity engaged in are not for the purpose of hiding or concealing some agreement, contract, etc., actually to restrain trade or otherwise violate the anti-trust laws?"

In reply the Attorney-General states that there is "no apparent objection to a standard system of cost accounting, but that associations should be warned to guard against uniform cost as to any item of expense. It is clearly a violation of the law to agree upon the cost of an item that constitutes a substantial part of the total cost price when its cost actually varies." With reference to all of the other acts outlined the Attorney-General says he "can now see nothing illegal in the exercises of the other activities mentioned, provided always that whatever is done is not used as a scheme or device to curtail production or enhance prices and does not have the effect of suppressing competition."

The effect is greatly to clear the atmosphere as to the legitimate activities of trade associations which have demonstrated their utility, but which without this clarification have no means of knowing what would at some time subject them to prosecution.

Another phase of this whole matter is presented by the proposal that the Secretary of Commerce shall be made the medium through which the great mass of information now being assembled by various trade associations is disseminated to the public. To a large extent this is already being done through the medium of the Survey of Current Business, published monthly by the Department of Commerce under Mr. Hoover's direction.

Hoover's Good Work

There is legitimate objection to further increasing the activities of the government in connection with business, says the Index, and we cannot be certain that the Department of Commerce will always have so capable and enlightened an administrator as Mr. Hoover. It would, nevertheless, appear that if particular industries and industry as a whole are to have the benefit of adequate statistical information, Secretary Hoover's willingness to be the medium of its distribution should be availed of in view of legal obstacles in the way of individual action.

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EDWARD C. PRATT
General Manager

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We have enumerated some of the securities listed on the Toronto Stock Exchange which we would place in this class, in a special letter to our clients.

A copy will be gladly mailed to you upon request.

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OTTAWA OPPOSED TO GENERAL TAX ON RETAIL SALE

Objections to Difficulty of Collecting and Ease in Evading

OVER $100,000,000

Estimate for Income and Business Profits for Fiscal Year—Cut of 40 Per Cent.

From Our Political Correspondent

OTTAWA.—Whatever amendments may be made to the acts dealing with income and other war tax revenues, the opinion prevails at the Parliament Buildings that a retail sales tax has no earthly chance of being considered seriously and brought forward as a government measure this session. Indeed it is hardly a matter of temporary hesitation; the reasons that are held to be strong enough to prevent action for the present seem likely to weigh just as seriously for the future.

The argument that naturally carries the greatest weight around the buildings is that a retail tax, say of one cent for every one dollar purchase, is an impossibility from a political standpoint. This is a very direct form of taxation as the present tax on the manufacturer and wholesaler is not, and a close student of taxation ventured the assertion that such a tax if imposed "would render every corner store throughout the country a hot-bed of opposition to any government that dared to place it on the statute books." If this is a correct summary, such a tax proposal runs up against a veritable stone wall of sentiment among the legislators.

Hard to Collect; Might be Dodged

From a department standpoint the chief objections appear to be the difficulty of collecting it thoroughly, and the openings that would exist for violating the act. It is pointed out that the present corporation tax and the old excess business profits tax with the graded scale, applied mainly to the centres of population, and that taxing officers could be maintained at local points and supervise individual cases with comparatively little trouble or expense, while a tax applying to dealings in every retail store in the country would require a large army of men to enforce. On the other hand this argument loses some force when it is considered that the enforcement of the penalties provided would act as a fairly efficient detective even where the department officers could not visit every store, while the collection of the income tax covers an infinitely wider field and one that naturally is far more difficult to check up. And yet it is believed the proportion eligible to pay this income tax is being reached in a steadily increasing percentage of cases.

Object to Any Decreases

In the meantime proposals are being made that the two taxes of 1½ per cent. each on the manufacturer and wholesaler should be changed to a single tax covering the final sale to the retailer, that is the manufacturer if he sells direct to the retailer, or the wholesaler. In the latter case there would be no tax on the sale from the manufacturer to the wholesaler. Another proposal is to reduce the tax on imports from 2½ to 1½ per cent. To all these proposals an objection is raised that the revenue from the tax would be decreased. Mr Crerar proposed the abolition of the sales tax entirely, but brought forward no alternative form of taxation; and—the government needs, and must have the money.

There is all the more determined attitude not to cut down in any direction this sales tax as it is felt that for 1921 and 1922 and perhaps for some years to come the income tax will decline considerably over what is regarded as "the high water mark of 1920."

May Drop 40 p. c.

The 1921 tax will start to be paid on April 30 next, and one estimate made for The FINANCIAL POST was that it would not net more than 60 per cent. of the previous year's as a result of profits being cut down, and salaries and mechanics' wages.

Revenue of Over $100,000,000

It is possible now to get a fairly correct estimate of what this revenue will be for the fiscal year ending March 31, 1922. Up to the end of February the amount collected in the eleven months, was $75,887,025, of which $1,770,538 came into the treasury in February or about 2½ per cent. A total approaching $78,000,000 may be received.

For the corresponding 11 months of 1921 the receipts were only $32,666,940, and for the twelve months ending March 31, 1921, $46,381,824.

Business Profits About $24,000,000

The business profits tax will continue to filter in for a whole year or so, and the $20,696,676 received up to the end of February may run up to $23,500,000 or $24,000,000 by the end of March, making a total exceeding $100,000,000 for the two. This compares with a total of $40,841,401 business profits tax for the twelve months ending March 31, 1921. For the fiscal year of 1921 the total of the two taxes was $87,223,000, so that the 1922 total will run ahead at least $15,000,000. With the business profits tax not applying except for arrears, and superseded by the "corporation" tax with lower returns, and the income tax certain to drop, the prospects are that the 1923 fiscal year will see the total far below that even of 1921.

No proposals, therefore, to lighten the present load, seem likely to meet with much Departmental approval.

ADVERTISING SELLS CANADA'S SALMON

Successful Campaign In Great Britain by British Columbia Packers

From Our Own Correspondent

VICTORIA.—The United Kingdom market, as well as continental Europe, will soon be in a position to absorb a very large proportion of the British Columbia salmon pack and even now the demand is of surprising strength, according to Colonel F. C. Cunningham, former chief inspector of fisheries for this province, who has just returned from a trade production tour of the markets across the Atlantic.

Colonel Cunningham laid the foundation for a publicity and sales campaign in Great Britain such as has never before been attempted by British Columbia salmon packers, who realize that the consuming public in Great Britain must be educated to abandon its long standing and unreasonable prejudice against all but the red varieties of salmon. For years the salmon canners have been trying to drive home the fact that the mere color of salmon denotes very little as to the quality and flavor, but the faint-colored pack has invariably met with less demand than the other, resulting in a big surplus of certain varieties.

FULL-CREW LAWS ARE DISAPPEARING

Have Unnecessarily Cost Railroads Twenty Million Dollars in Three States

The legislatures of New York, New Jersey and Maryland are now considering the appeal of the so-called full-crew laws, dating from the period when any measure objectionable to the railroads and calculated to reduce their revenue was popular with legislative bodies. Strangely enough these laws, which originated in the Middle West, have been repealed in Missouri, Ohio and Oklahoma, but effort extending over some years has been unsuccessful in bringing about their repeal in all of the eastern states where they have been in force, except Massachusetts.

In the three states, New Jersey, New York and Maryland, the railroads estimate that in the ten years or more during which full-crew laws have been in effect they have cost the railroads $24,000,000 in unnecessary expenditure. The effect of these laws was to compel the railroads to overman their trains. They were brought into existence by the efforts of the brakemen, who are now, of course, opposing their repeal.

It is significant of the change that has come about in public opinion on railroad subjects that these laws are now recognized, not as full-crew measures, but as requiring excess crews. Coupled with this is the realization that in taking money out of railroad treasuries for unnecessary expenditures the public has been the real sufferer, and the repeal bills are consequently receiving almost unanimous popular support.

ASK BEFORE YOU BUY

One Way to Offset Activities of Frenzied Financiers

There is nothing new about the exposures arising out of the recent failures of bucket-shops. Everybody knows that a fool and his money are soon parted, and the only wonder is that there are so many fools, unless, indeed, it be not even more astonishing that such people had money to lose. The Ponzi incident is still recent in public memory and the market for gold bricks and green goods seems to flourish amid all the vicissitudes of general business. But there is a protection to the public which may be suggested. It would take the form of a question, to be put to every complainant, alike in the district attorney's office and in the courts. It would take this form: "Did you ask the advice of some competent person before entrusting your money to the concern against which you complain?"

BLUE SKY LAWS WILL NOT PROTECT FOOLS FROM FOLLY

But They Are Likely To Endanger Sound Investments

NEW YORK OPPOSITION

Strong Case Presented Against Changing the Fraud Act for Any Broad Measure of Blue Sky Legislation

The proposed blue sky laws introduced in the New York state senate and assembly have been disapproved by the Committee on Law Reform of the City Bar Association, of which Louis Marshall is chairman, on the ground that they are crude imitations of western statutes and might work untold harm in hampering the investments without in any way protecting "fools from their folly." The statute enacted last year should be given a fair trial before further legislation of the kind is attempted, the committee believes, and should be supplemented by the activity of district attorneys. The report of the committee says:

"The United States, if not the whole world, looks to New York State for capital for the development of national resources, industries and inventions. Any law which places oppressive burdens on those who are asked to invest their capital tends to drive capital from the state enacting such a law into other countries and states. New York should be scrupulously careful, in attempting a remedy for an alleged evil, to not thereby create a greater evil.

Does Not Apply To Exchange

"A blue sky law does not apply to exchange transactions. Its sole purpose is to legislate so as to protect gullible individuals from the deliberate fraud of swindlers in the actual sale of worthless securities. Thus it does not even apply to the so-called 'bucket-shop' evil, which consists in the failure to carry out orders in legitimate securities.

"Blue sky laws are of three classes: First, those prohibiting every one from dealing in any given security unless and until that security is certified in some way by the state, that is, a law licensing the security; second, those making it the duty of capitalists issuing securities to file certain statistical detail with some public officer; and third, those licensing dealers in securities.

"The state commission appointed by Governor Smith in 1920 reported unanimously against a blue sky law of the class first enumerated, and, by a majority of votes, against the law of either of the two other classes.

"This committee is of the opinion that the importance of these preliminary considerations is of sufficient magnitude to constitute an objection to almost any form of blue sky law which might be proposed at this time. The legislature, only last year, having enacted a statute dealing with the subject, this statute should be fully tried before experimental legislation should be copied onto our statutes from the statutes of western states."

Chance for Fraud

If a bill was passed, said the committee, it should be free from criticism, and the proposed bills are not. It goes on to show that Senator Katlin's bill provides that if the superintendent of banks finds that proposed contracts, stocks, bonds or other securities are fraudulent, or that a sale of the same would work a fraud on the purchaser, he should dissolve the sale. The commission appointed by Governor Smith, it says, were unanimous in reporting against a statute dealing directly with the security.

"The reason is plain," said the committee, "that it would be virtually impossible to secure needed capital for private enterprise, to persuade any New York capitalist to invest any money in a new enterprise if the enterprise is subject to the red tape of state officals and might be rendered absolutely nugatory by an arbitrary 'finding' of a state official."

Both bills contain provisions as to the filing of statistical detail, the committee points out, similar to the requirement of the New York Stock Exchange for listing securities on the application of the company, but which would be burdensome if applied to the issuance of securities generally.

Doubts Licensing Feature

"As a matter of fact, on this subject of statistical detail, the state will always find itself in a dilemma; that, in order to enact a law which will prevent a swindler from cheating a fool—assuming that any such law, other than an outright penal law, can be devised—it must necessarily enact so drastic a law as to prevent capitalists from investing their money, and conversely, if the legislature should enact a law which would encourage the employment of needed capital, such a law cannot be of the transcendent nature as would protect fools against their folly."

After touching on the licensing provisions, requiring that the dealer show evidence of good repute and trustworthiness, the committee says:

"These provisions are of doubtful constitutionality in that they unnecessarily interfere with the right of a citizen to choose and enter upon an absolutely legitimate business. The bills make no provision by which the superintendent of banks or the secretary of state may become possessed of information by means of which he can intelligently withhold licenses from crooks and swindlers, and, wherever blue sky laws have been tried experience has demonstrated that the latter class of citizens have encountered but little difficulty in obtaining state licenses."

THE ROYAL BANK OF CANADA
Statement to the Dominion Government (Condensed)
February 28, 1922
Head Office MONTREAL

LIABILITIES	
Capital Paid Up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	905,044.98
Dividend No. 138, payable March 1, 1922	612,000.00
Notes in Circulation	28,162,372.14
Deposits	379,447,621.95
Due to other Banks	11,520,618.27
Bills Payable (Acceptances by London Branch)	3,854,281.76
Acceptances under Letters of Credit	5,598,741.14
	$470,900,680.24
ASSETS	
Cash on Hand and in Banks	$101,077,121.46
Deposit in the Central Gold Reserves	8,500,000.00
Government and Municipal Securities	33,546,569.95
Railway and other Bonds, Debentures and Stocks	16,233,455.96
Call Loans in Canada	16,068,514.82
Call Loans elsewhere than in Canada	26,849,555.88
	$202,275,218.06
Loans and Discounts	249,903,769.37
Liabilities of Customers under Letters of Credit as per contra	5,598,741.14
Bank Premises	10,925,041.54
Real Estate other than Bank Premises	935,199.84
Mortgages on Real Estate sold by the Bank	277,710.29
Deposit with Dominion Government for Security of Note Circulation	985,000.00
	$470,900,680.24

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REPORT OF THE 29th Annual Meeting OF THE WINNIPEG ELECTRIC RAILWAY COMPANY HELD March 10th, 1922

At the annual general meeting of the Shareholders of the Winnipeg Electric Railway Company held in the head offices of the Company on March 10th, 1922, the report of the president and directors and the financial statements for the year ending December 31st, 1921, were presented and adopted.

The following directors were elected for the ensuing year and until their successors are appointed: Sir Augustus Nanton, A. W. McLimont, Hugh Sutherland, G. V. Hastings, F. Morton Morse, A. J. Nesbitt, W. J. Bulman, W. R. Bawlf and D. N. Finnie.

The following are the officers of the Company for the ensuing year: Sir Augustus Nanton, president; A. W. McLimont, vice-president; F. Morton Morse, secretary; L. Palk, assistant secretary; and J. S. Mackenzie, treasurer.

The report of the President and Directors to the shareholders was as follows:

To the Shareholders:

Your Directors beg to submit a statement of the operations for the year ended the 31st December, 1921, as follows:

Gross earnings from operations		$5,418,023.71
Operating expenses, before charging depreciation		3,559,380.00
Net operating revenue		1,858,643.71
Miscellaneous Income		161,406.70
Income available to meet fixed charges, etc.		$2,020,050.41
From which the following deductions are made:		
Interest charges on debenture stocks, bonds, gold notes, etc.	$633,331.02	
Extinguishment of discount on securities	52,526.18	
City percentage and car license taxes	183,069.70	
Taxes	164,314.55	
Miscellaneous non-operating expenses	3,311.99	
Other income deductions	54,532.33	
		$1,091,085.77
Net income as shown on accounts submitted herewith, excluding depreciation		$928,964.64

The gross earnings for the year 1921 show an increase of $184,323.06 over the previous year, and the net income shows an increase for the year of $132,389.41.

The year was marked by the industrial depression which prevailed practically throughout the world and while public utilities in general, felt the consequences in a diminished and more frugal use of electricity, gas and traction service, nevertheless, our property passed through the period in a relatively successful manner.

The Company has continued making extensive improvements, particularly in the rehabilitation of rolling stock, track and road-bed. Substantial extensions were also required to take care of the expansion of the electric utility business and there were also improvements at the gas works.

It will be observed that after payment of all fixed charges and making the usual provision for depreciation that the Company made a net profit of $727,914.64. From this amount has been deducted the dividends paid on Preference Stock amounting to $182,367.13 and also an additional allowance for depreciation amounting to $122,605.82, leaving $422,941.69 to be transferred to surplus.

The Preferred Stock has all been marketed and the proceeds have been used to retire floating liabilities.

The Company has continued its policy of maintaining good relations with the public and has given wide publicity to the problems confronting it so that all patrons may be acquainted with the conditions surrounding the operation of the properties. Emphasis has been stressed on the Company's desire to provide courteous and efficient service and the public appears to appreciate the sincere efforts on the part of the Company to bring this about.

Respectfully submitted,

(Signed) A. M. NANTON,
President.

Abitibi Power and Paper Company Limited

Eighth Annual Report for the Fiscal Year Ending 31st, December 1921

To the Shareholders of the
Abitibi Power & Paper Company, Limited.

Your Directors herewith submit the Balance Sheet and Profit and Loss Statement of your Company for the fiscal year ending December 31st, 1921.

The year's operations show a profit of $4,678,172.73 before providing for interest and reserves. After deducting interest, Income Tax for 1921 and reserves, there remained a surplus of $2,838,666.36, which added to the surplus as of December 31st, 1920, made the total surplus $6,527,237.48, out of which was paid during the year Preferred Stock Dividends of $70,000.00 and Common Stock Dividends of $250,000.00. $482,000.00 has been reserved for Government taxes up to December 31st, 1920, and $2,177,144.68 for inventory depreciation. Deducting the above dividends and reserves leaves a net surplus as at December 31st, 1921, of $3,548,092.80.

The completion of the extensions to the plant was considerably delayed and no part of the product from the new machines was available until July. Since then, however, the new machines and the Twin Falls power plant have both been in successful operation and a production of over 11,000 tons of newsprint per month obtained.

The Company has closed contracts for paper during the current year sufficient to operate at practically full capacity.

The construction of the Company's extensions is now completed, and all liabilities on this account are shown on the Balance Sheet. Ample reserves have been made for all Government taxes and for depreciation of wood and other inventories.

F. H. ANSON,
President.

Montreal, April 3, 1922.

BALANCE SHEET, DECEMBER 31st, 1921

ASSETS

FIXED ASSETS:		
Land, Timber Limits, Water Powers, Buildings, Machinery and equipment, including cost of financing		$24,258,930.06
Capital Stock and Advances to Abitibi Lands & Forests Limited (Townsite Properties) and Capital Stock of Iroquois Falls Merchandising Company Limited		646,259.43
Total Fixed Assets		$24,905,189.49
CURRENT ASSETS:		
Inventories at cost:		
Logs and Expenditures on 1921-1922 Season's Logging Operations	$3,441,164.81	
Paper, Pulp, Materials and Supplies	786,555.24	
	$4,227,720.05	
Accounts Receivable	914,598.40	
Cash on hand and in Bank	1,267,041.00	
		6,409,359.45
OTHER ASSETS:		
Taxes, Insurance and Other Expenses Prepaid		109,230.06
		$31,423,779.00

LIABILITIES

CAPITAL:			
Common Stock—Authorized and Issued—250,000 Shares of no par value		$5,000,000.00	
Seven Per Cent. Cumulative Preferred Stock—Authorized and Issued—10,000 Shares of $100 each		1,000,000.00	
			$6,000,000.00
FUNDED INDEBTEDNESS:			
Consolidated Mortgage Sinking Fund Gold Bonds			
Authorized	$14,000,000.00		
Issued	4,500,000.00	4,500,000.00	
	9,500,000.00		
Reserved for refunding underlying Bonds	7,815,500.00		
Unissued	1,684,500.00		
Underlying Bonds:			
First Mortgage Six Per Cent Gold Bonds—Authorized	5,000,000.00		
Less—Redeemed and cancelled to date	1,184,500.00	3,815,500.00	
General Mortgage Six Per Cent. Gold Bonds		4,000,000.00	
Total Funded Indebtedness			12,315,500.00
CONSTRUCTION LIABILITIES:			986,986.06
LOANS & TRADE LIABILITIES:			
Bank Loans ($1,000,000.00 secured under Sec. 88 of the Bank Act)		1,400,000.00	
Current Accounts and Bills Payable		1,198,716.79	
Liabilities for Materials in Transit		47,933.64	
Fixed Charges Accrued		320,387.50	
Wages Accrued		78,249.05	
			3,045,286.98
DIVIDEND DECLARED ON PREFERRED STOCK:			
Payable January 1922			17,500.00
PROVISION FOR GOVERNMENT TAXES			652.401.02
RESERVES:			
For Depreciation of Plant and Exhaustion of Timber Areas		3,320,324.20	
For Bad Debts		25,000.00	
For Depreciation of inventories, less amount deducted from cost of wood consumed during 1921		1,512,687.94	
			4,858,012.14
SURPLUS AND UNDIVIDED PROFITS			3,548,092.80
			$31,423,779.00

CONTINGENT LIABILITIES:	
Bonds, and other obligations of the Abitibi Lands and Forests Limited guaranteed by the Company to the extent of	$266,238.57
Bills Receivable under Discount	1,896.54
	$268,135.11

Approved on behalf of the Board,
W. A. BLACK, Director.
VICTOR E. MITCHELL, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the books and accounts of the Abitibi Power & Paper Company Limited for the year ending December 31, 1921, and have obtained all the information and explanations which we have required.

As shown in the Balance Sheet and Statement of Income and Expenditure, there has been deducted from surplus as at January 1, 1921, and set up as a reserve for depreciation of inventories to the basis of present replacement values the sum of $2,177,144.68 which, after writing off the amount applied in reduction of the cost of wood used in operations during 1921, leaves $1,512,687.94 as a reserve for depreciation on the balance of the wood and supplies on hand at the end of the year.

We certify that the above Balance Sheet at December 31, 1921, is in our opinion properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, March 14, 1922. PRICE, WATERHOUSE & COMPANY,
Auditors.

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDING DECEMBER 31, 1921

Receipts from Sales of Paper and Pulp			$ 8,861,810.11
Operating, General and Administration Expenses			4,183,637.38
Net Earnings			4,678,172.73
DEDUCT:			
Interest on Bank Loans and Funded Debt			849,743.50
			3,828,429.23
Reserve for Depreciation, Depletion and Bad Debts Provision for Income Tax, 1921			989,762.87
Surplus for year			2,838,666.36
DEDUCT:			
Dividends on:			
Preferred Stock		$ 70,000.000	
Common Stock		250,000.00	320,000.00
			2,518,666.36
ADD:			
Surplus December 31, 1920		3,688,571.12	
DEDUCT:			
Reserve for Depreciation of Inventories as at January 1, 1921	2,177,144.68		
Provision for Government Taxes for years 1919 and 1920	482,000.00	2,659,144.68	1,029,426.44
Surplus as per Balance Sheet			$ 3,548,092.80

Directors: F. H. Anson, W. A. Black, G. E. Challes, W. K. George, G. H. Kilmer, K.C., Victor E. Mitchell, K.C., D.C.L., Alexander Smith, Sir Thomas Tait.

Officers: F. H. Anson, President; Alexander Smith, Vice-President; L. R. Wilson, Secretary; W. H. Smith, Treasurer; T. Broadhurst, Ass't.-Sec.-Treas.

MARKET FEATURES INDICATE STABLE CONDITIONS NEAR

Prices Advance as the Credit Situation Improves

EASY MONEY AIDS

Gold Stocks Again Make Advances, 1934 Victory Bonds Record Highest Value Yet —Newsprint Outlook

The present easy money situation as reflected in the 2 and 3 per cent. call rates of New York, has resulted in a broader investment security market. Low interest rates and an abundance of money allows capital to flow from the less productive lines of trade into bonds and notes which have a relatively high yield. It is interesting to note that the money situation has resulted in several large issues of Canadian bonds selling on a higher basis in New York than in Canada. For instance, the recent issue of Manitoba bonds sold in New York on a 5.30 basis, while in Canada similar issues were quoted at 5.40. In the London market too, the high grade Canadian bonds have sold on a higher basis than at home, in this way presaging continued strength for our bonds.

For the first time since the market committee gave up the control of the Victory Bonds, 1934's were quoted above par. This fact indicates the quality of the present market conditions. Since the control was lifted in November 1920, the Victory Bonds have moved far forward, and the price of 100.15, is the highest point ever obtained for this issue, it represents an advance of 7.15 over the price at which this security was pegged by the committee. The cheapest of the long term government issues, more attention is being bestowed by investors on 1934's, for while they are not exempt, their margin of discount over the tax free issues is sufficiently great to make them attractive.

Golds Still Active

The gold stocks have again been the outstanding issues on the mining exchanges, further gains over the previous week being registered. Despite the fact that manipulation of the market has undoubtedly been a factor in the advances, the public is apparently convinced that these stocks are to go to still higher levels. The turnover on the Toronto market was very much larger than has been recorded for many years.

The favorable report of the Abitibi Pulp Company caused this stock to move to higher levels. The advance seems to have been based upon the much brighter outlook for pulp and paper. The newsprint market is much healthier, with an increased demand, denoting a larger consumption, and the big producers are working through their high cost wood very rapidly. The interest in tractions has greatly lessened throughout the past week, all issues being easier.

The market has reached a stage where the public is becoming thoroughly aroused, according to Hayden, Stone & Co., New York. At times, the pace seems perhaps a little too rapid. The monetary situation, however, is too strong to make a change in the general direction at all probable. We are inclined to believe that the present tendency will continue until business is as good as the market in its advance is now predicting.

The progress of improvement in the market has been deliberate and the trend toward continuance of low interest rates is evident. It is, therefore, fair to assume that accumulation will go on, says the Bache Review. Conservative advice still encourages purchases, but discrimination in selection should be maintained, confining commitments to securities of the better class.

DETROIT UNITED

From Our Own Correspondent

MONTREAL.—Directors of Detroit United Railway deny the report sent out from that city of an attempt on the part of the railway management to defeat the by-law for the purchase of the lines by the city. The story was that the company was using the oldest cars it had on the streets these days in order to give the impression that the property was in a dilapidated condition and not worth the price of $19,500,000 that the city proposes to pay for it.

RAILROAD EARNINGS

Earnings of the Canadian Pacific Railway for the second week of March showed a decline of $55,000, or 1.7 per cent. from the figures for the corresponding period in 1921, the total for the week being $8,121,000 against $3,176,000 last year.

The Canadian National reports earnings amounting to $2,250,238, a decrease of $129,730, or 5.4 per cent.

Earnings of the Grand Trunk amounted to $1,988,401, an increase of $146,985, or 7.9 per cent.

HOWARD GRAHAM CO.

The creditors of the insolvent firm of Howard Graham & Co., who went into liquidation a few days ago, met in Toronto this week. The following inspectors were appointed to make an investigation, J. E. Day, W. S. Morden, D. A. Harris and G. F. Stephen. The liquidator's statement shows that the liabilities amount to $140,000 and the assets, $7,000.

SHREDDED WHEAT CO. INCREASES EARNINGS

Profits Stand at $2,298,063 as Compared with $1,094,533 of Previous Year

The annual statement of the Shredded Wheat Company, which includes The Canadian Shredded Wheat Company, shows a considerable increase in the earnings. After deducting the operating expenses, the earnings stand at $2,298,063 as against $1,094,533 of 1920, or an increase of $1,203,530. From this amount the sum of $160,911 is applied for depreciation as compared to $130,162 and the reserve for taxes, $543,570, as against $92,687. The net income for the year stands at $1,593,582 in comparison with $871,684 of the previous year. Dividends took the sum of $862,500 and the balance at $2,181,845 compares with $1,450,763. Following are the comparative figures for the past three years:

	1921	1920	1919
Gross . .	$2,298,063	$1,094,533	$2,005,637
Deprec. . .	160,911	130,162	141,716
Reserve . .	543,570	92,687	485,471
Net Income	1,593,582	871,684	1,378,449
Bal. For. .	1,450,763	1,354,078	766,724
	3,044,345	2,225,762	2,145,174
Divs.	862,500	775,000	775,000
	$2,181,845	$1,450,762	$1,370,174

WESTERN NATURAL GAS

Earnings of the Canadian Western Natural Gas Light, Heat and Power Co., for the month of January, amounting to $118,702, showed an increase of $19,213 over the figures for the same month in 1921. The aggregate earnings from October 1, to January 31, at $379,976, showed an increase of $22,133 over the same period last year.

HOLT, RENFREW CO. EXCELLENT PROFITS

At $164,000, These Almost Equalled Those of Previous Year—Reserve Intact

From Our Own Correspondent

MONTREAL.—The earnings of Holt, Renfrew & Co., for the fiscal year ending January 31, 1922, held up very close to those of the previous year in spite of inventory losses, although considerably less than one-half the record established in the year 1919-20. After deduction of bond interest and depreciation there remained available for preferred and common dividends $83,941, or after paying $70,000 as the preferred dividends on $1,000,000 of stock the balance available for common dividends was $13,941. The profit and loss accounts for the past three years show that the contingency reserve of $100,000 established at the end of 1919-20 is still intact while the surplus, apart altogether from this reserve, stood at $197,076 on January 31, 1922.

Profit and Loss Account

	1922	1921	1920
Profits . . .	$164,063	$171,592	$403,592
Depreciation	10,988	2,611	43,912
Interest . . .	69,134	89,820	50,707
Balance . . .	83,941	79,161	308,973
Pref. div. . .	70,000	70,000	35,000
Avail. for com.	13,941	9,161	273,973
Prev bal. ..	183,134	173,973	....
Adj. for cont.	....	....	100,000
P. & L. bal...	197,076	183,134	173,973

The working capital account shows inventories decreased by a little over $200,000, and bank loans are down accordingly. Net working capital is about $72,000 lower than one year ago.

Working Capital Account

Current assets	1922	1921
Inventories. . . .	$1,237,467	$1,440,591
Accs & bills rec..	369,404	417,910
Cash	35,777	56,632
	$1,642,648	$1,915,133
Current liabilities	1922	1921
Bank loans . . .	660,000	850,000
Bills and accs pay.	191,776	209,721
Accrued liabs. ...	13,153	5,147
	$864,929	$1,064,868
Bal. work cap. ..	$777,719	$850,265

THREATEN 10 P. C. DUTY ON ALL PULP CANADA TO U. S.

(Continued from page 1)

and are practically on a level with those of the United States mills.

The importance of the United States market for Canadian pulp is seen by the figures of the Trade and Commerce Department at Ottawa of reports for the ten months ending Jan. 31, 1922. These amounted to $21,542,000, but the previous year's total (11 months) was over double, $54,837,082. The normal average would lie between the two, representing a very substantial total.

Pulp Exports to United States

11 mos. end. Jan. 31	1922	1921
Sulphate (kraft)..	$6,287,736	$10,977,585
Bleached sulphite.	5,802,483	11,811,119
Unbl. sulphite ...	5,551,994	20,813,457
Groundwood	3,900,267	11,234,921
Total	$21,542,090	$54,837,082

Whether the threatened tax is intended merely as a means to an end, or is the end itself, the Canadian Government ought to take up consideration of the question at once, for if the tax does slip through, as the Fordney tariff against wheat, flour, etc., did, the result will be very damaging to the Canadian mills. One step open to the Canadian Government would be to impose an export duty on all Canadian pulpwood, that is the exportable balance cut on private lands, the Crown lands wood being restricted from export. This might be ten per cent. or more, a compensating duty. A large portion of the United States pulp as well as paper mills are dependent on Canadian wood, and the Canadian tax might well dampen the ardor of the pulp men across the border, leaving the Canadian Government in the position of wiping out this tax if the ten per cent. duty were struck from the Customs list.

For the ten months ended Jan. 31, 1922, the exports of pulpwood from Canada were 630,540 cords, equal to about 420,000 tons of paper when manufactured. The value set down for this was $7,926,536, or about $12.50 a cord. The year before the exports were 1,243,112 cords, equal to 800,000 tons of paper.

We Own and Offer

$200,000.00

Brantford Computing Scales
Limited

8%

TWENTY YEAR GENERAL MORTGAGE SINKING FUND GOLD BONDS

CAPITALIZATION

	Authorized	Issued
General Mortgage Bonds.......	$300,000.00	$200,000.00
Preferred Stock	500,000.00	233,300.00
Common Stock	500,000,00	500,000.00

Dated—March 1st, 1922 Due—March 1st, 1942

Interest payable half-yearly, March 1st and September 1st, at any branch of the Royal Bank of Canada, in Canada. Coupon Bonds of $1,000 and $500 denominations, with privilege of registration as to principal only.

Trust Deed provides for a Sinking Fund of 5% per annum of the total amount of bonds outstanding, commencing 1924, for the purchase of bonds in the open market, or by drawing at 105 and accrued interest. The Company is also required to set aside annually 10% of the net earnings, to be deposited with the Trustee for the redemption of its bonds.

National Trust Company, Limited, Toronto—Trustee

THE COMPANY

The Brantford Computing Scale Company, Limited, was organized in 1910, for the purpose of the manufacture and sale of Computing Scales, Meat-slicers and Cheese-cutters. The business was profitable from the outset, until today the company has grown from an entirely local industry to one having branches in all the large centres throughout Canada, with agencies in the United States, Great Britain, Australia and New Zealand.

The satisfactory growth of the business during the past eight years is possibly best demonstrated as follows:

1914—-$31,202.00
1916—$74,441.00
1918—$129,653.00
1920—$272,878.00
1922—Estimated at $600,000.00

ASSETS AND EARNINGS

The surplus assets directly securing this issue of bonds, and exclusive of valuable patent rights, patterns, trade-marks and good-will, are conservatively valued as follows:

Real Estate (National Trust Co. Appraisal)	$152,500.00
Plant, Machinery, etc., after Reserve	142,240.54
Inventory, Bills and Accounts Receivable, Cash	153,246.56
Assets totalling	$447,987.10

The above statement shows assets of $2,240 per $1,000 Bond, with liquid assets of 75% of total issue, and fixed assets of 150% of issue.

The average net earnings of the Company since organization have been in excess of 25% on the capital employed, and with the new and greatly enlarged plant, and improved facilities for doing business, which are already completed, it is conservatively estimated that the net profits should amount to from $75,000 to $100,000 per annum, or over five times bond requirements.

Price: 100 and Accrued Interest—To Yield 8%

SPECIAL CIRCULAR UPON REQUEST

Orders May be Telephoned or Telegraphed at Our Expense.

HOUSSER WOOD AND COMPANY
INVESTMENT BANKERS

10-12 King Street East Toronto, Ont.

Special Custom-Built Bodies

Write us stating kind of Chassis you have and style of body you are interested in — Sedan, Coupe, Limousine, Town Car, Touring, Sport Roadster, etc.

All bodies are aluminum, built in an exclusive design to your ideas, if desired. We will submit suggestions without charge.

Address Dept. F.

CARRIAGE FACTORIES LTD.
ORILLIA - CANADA
We build Taxi Cab Bodies to order

SPORT ROADSTER

McDonagh, Somers & Co.
Government and Municipal Bonds
Dominion Bank Bldg.
TORONTO
Canada

SECURITY—THEN PROFIT
ANGUS MACDONALD & CO.
C.P.R BLDG. TORONTO
Adel., 5268
SPECIALIZING IN HIGH-GRADE SECURITIES

VERSAILLES-VIDRICAIRE-BOULAIS
LIMITED
Investment Bankers
MONTREAL QUEBEC OTTAWA
Quebec Municipals and Industrials a specialty

WESTERN BOND ISSUES
We Specialize in Western Provincial, Municipal and School Bonds
Lougheed & Taylor, Limited
CALGARY, ALTA.

SITUATION WANTED

Executive position. Something good now, with a future, by Auditor-Accountant, University man, cost accounting, systems, specialty (grain, coal, steamboat). Insurance, (Marine, Fire, Life.) A. 1. credentials. Box 24, FINANCIAL POST.

Own Your Own Investments on our
TEN PAYMENT PLAN
A Small Deposit and Monthly Savings Will Enable You to Participate
DOMINION DEVELOPMENT CORPORATION, LIMITED
805-813 C.P.R. Building
(Head Office)
TORONTO, ONT.

134 Jackson Bldg., Ottawa
1004 Transportation Bldg., Montreal

MINING STOCK QUOTATIONS

Week Ending March 21.

	High	Low	Close	Sales
Adanac	1			1,000
Apex	3	2	3	45,500
Atlas	26	23	25¼	74,500
Bailey	2¾	2½	2½	22,000
Beaver	35½	33¼	33¾	55,500
Coniagas	1.25			100
Cons. Smelt.	20½	19	20¼	2,227
Cr. Reserve	22	20½	22	18,000
Dome Lake	20	7	15	109,500
Dome Mines	27.95	26.80	27.80	5,425
Gold Reef	4	2⅞	3⅞	116,500
Hollinger	9.90	8.95	9.80	15,400
Hunton	11	9	10½	67,500
Inspiration	8	6	8	4,000
Keora	13	10	12	51,000
Kirkland Lake	44	42	43½	21,000
La Rose	56½	53	53½	13,050
Lake Shore	2.21	1.85		32,900
McK. Darr	17	16½	17	3,400
McIntyre	20.25	14.80	19.80	104,156
Mining Corp.	1.05	1.00	1.05	2,000
Moneta	17	12	16½	148,500
Newray	25	9¾	20	41,500
Nipissing	7.00	6.80	6.90	1,325
Ophir	3	2¾	2⅞	26,500
Peterson Lake	6	5½	6	1,300
Porc. Cr.	30	27½	29½	63,500
Porc. Tisdale	2	1¾	2	2,000
Porc. V.N.T.	30	26½	30	246,000
Prest. E. D.	9½	6½	9	111,000
Schumacher	61	53	60½	84,000
Teck Hughes	46	39¾	46	205,000
Timiskaming	38	33	37	14,500
Thomp. Krist.	7	4⅝	6½	79,500
Trethewey	6	4	4	9,000
West Dome	16	8½	13½	204,500
West Tree	6	4⅞	6	32,500
Hattie	18	15	15	26,900
South Keora	35	30	35	10,500
Wasapika	7	4	6¾	81,500

BRITISH VIEWS ON THE SITUATION OF GRAND TRUNK

All That Capital is Really Asking is a Fair Deal

LONDON.—The Financier says: So far the new Canadian Ministry of Mr. Mackenzie King has given no indication of its attitude towards the Canadian railways generally and the Grand Trunk Company in particular. In Canada, if not in this country, there is a strong hope that, while not reversing their policy, it will be inclined to deal more generously than its predecessors with English investors, as represented by Grand Trunk shareholders. Not being responsible for the present situation it is free to act in the manner that seems to it to be most beneficial to the national interest. And even in Canada there is a large volume of public opinion that holds the view that anything that would appear to be harsh treatment of British claims would not be advantageous to the Dominion, which still hopes to attract a considerable amount of British capital for her economic development.

But while Grand Trunk shareholders can afford to be hopeful of some compromise that will avert prolonged and costly litigation, they must be under no delusion as to the amount of the compensation any Canadian Government might be empowered to concede. Many Canadians are fully appreciative of what the Grand Trunk Company, entirely with the help of British money, has done for the country. But they also realize more generally than is done at home that that company incurred, in connection with the Grand Trunk Pacific, obligations which it has been quite unable to fulfil. And they naturally expect that the shareholders should accept the consequences of the company's policy of expansion. In connection with its transcontinental project, the Grand Trunk assumed very heavy liabilities. Those liabilities it has been unable to discharge. Consequently it is insolvent and its proprietors must accept the results of its insolvency.

Such is the argument of eminent Canadian authorities, who are in no way hostile to British interests. There may be, they admit, a case for exceptional treatment, considering the company's history and the difficulties to which it was exposed during the war through no fault of its own. But they could never agree to compensation being given to Grand Trunk Pacific's failure to earn interest. They regard as altogether unreasonable the claim of Grand Trunk shareholders to be treated as if they had incurred no obligations in connection with construction of an expansive and unprofitable line to the Pacific Coast. No one can justly contend that there is not a good deal of force in the Canadian attitude.

PORTO RICO DIVIDEND PASSED

In order to conserve revenue for capital expenditures, the directors of the Porto Rico Railways Co., Ltd., decided to pass the dividend on the common stock for the time being. The rate during 1921 was 1 per cent. each quarter, and the last disbursement at this rate was paid on January 3 last, covering the final period of 1921. According to the annual report, there was expended during 1921 the sum of $209,427 on capital account. This was a larger amount than was available from the surplus earnings of the year, and resulted in an increase of the bills and accounts payable by the company.

MEXICO N. W. RAILWAY HAS MANY PROBLEMS

The position of the Mexico North-Western Railway has been dealt with in a letter from the National Trust Company of Toronto to the receiver and has been made public in London. The letter points out that the position of the railways in Mexico is so uncertain at the present time that it is inadvisable to call the bondholders together as yet. The letter is in part as follows:

The Mexico Northwest Railway Company, running through a sparsely-settled country and over 1,000 miles from the Capital, and moreover, just across the American border, which has always been a favorite spot for revolutionaries, has been at the mercy of every chief who has been able to go out and collect a small following. In spite of the fact that things have been quieter during the past two years, this state of affairs is unfortunately not entirely a thing of the past. The second great difficulty to be faced was the failure of the lumbering enterprises from which the profits of the railway were largely dependent. Another difficulty now before the Receiver is the proposed agrarian law, which is before the State Legislature, which in effect is a confiscatory measure. The proposal is to take the agricultural land away from the large land holders and give in return state bonds, whose value, to say the least, would be problematical.

CONSOLIDATED SMELTERS

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter for the period March 8th to the 14th, amounting to 9,153 tons, 8,899 tons of which were produced by the company's mines and 254 tons by other mines. From January 1 to March 14 the receipts totalled 88,262 tons.

DULUTH-SUPERIOR

Passenger earnings of the Duluth-Superior Traction for the second period of March amounting to $34,685, showed a decline of $893, or 2.5 per cent., as compared with the corresponding period in 1921. For the year to date the total at $343,111, showed a decline of $24,485, or 6.7 per cent.

WANT R. R. FINISHED

From Our Own Correspondent

REGINA.—The immediate completion of the Hudson's Bay Railway was urged by delegates attending the annual meeting of the Associated Boards of Trade of Saskatchewan at Prince Albert. The associated boards also endorsed the demands of growers and dairymen in the three prairie provinces for lower freight rates on farm products.

E. H. CLARKE FAILURE

By an order issued at Osgoode Hall by Mr. Justice Mowatt, in an action arising out of the recent bankruptcy of C. M. Clarke and Company, New York stock brokers, with a Toronto branch, the books and records of the Toronto office will remain in the custody for the time being of the Trusts and Guarantee Company, where they were lodged after bankruptcy proceedings were instituted.

Factory Building

Will be erected to suit purchaser on King Street West lot, near Bathurst Street, in Toronto. Light on four sides and ten foot lane in rear.

King Street is one of the great thoroughfares of Toronto and location in this street carries with it considerable advertising value.

$15,000 Cash

Will finance an attractive four storey building on lot 80 x 95 feet, containing 25,000 square feet of floor space.

This will give you a building built to suit your business at a rental cost of about 30 cents a square foot for interest on investment, taxes, insurance, etc.

If you have $15,000 and would like to have building erected for you, address

Box 21, Financial Post, Toronto

Canada Permanent Mortgage Corporation.

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
SATURDAY, THE FIRST DAY OF APRIL
next, to Shareholders of record at the close of business on the fifteenth day of March.

By order of the Board.

GEORGE H. SMITH,
Assistant General Manager.

Toronto, February 22nd, 1922.

STOCK MOVEMENTS OF THE WEEK

Week Ending March 21

Banks—	Div. rate	Ask	Bid	High	Low	Close	Sales
Commerce	12	182⅛	181½	182½	181¼	182⅛	213
Dominion	12+1	189	183	192	192	192	72
Hamilton	12	167	....	168	167	167	15
Hochelaga	10	146	....	146	146	146	5
Imperial	12	171	170	171	170	171	97
Molsons	12	164	162	163	162	162	92
Montreal	12	..	219	220	218	220	23
Nationale	12	110	....	108	105	105	32
Royal	12	197	195	198½	196	196	112
Standard	4	....	200	200	200	200	2
Toronto	12	176	174¾	175	174½	175	7
Union	10	137½	137	137	136½	137	128
Industrials, Utilities, Etc.—							
Abitibi Pulp and Paper com	..	40¼	39¾	40⅝	38½	40	2673
Do pref.	7	....	82¾	84	84	84	7
Ames-Holden pref.	..	....	18	19	18	18	130
Amer. Salesbook com.	..	14	13	13	13	13	25
Do pref.	7	85	83½	85	85	85	15
Asbestos Corp, com.	6	55½	55¾	55⅞	53	54½	510
Do pref	7	78	74	74	74	74	20
Atlantic Sugar com.	..	24½	23½	25	23½	24½	340
Barcelona Traction	..	6⅛	5⅞	6⅜	5⅞	6	1550
Bell Telephone	8	105¼	105	106	105	105½	444
Brazilian Traction	..	35⅛	35	36½	35	35¼	3771
B. C. Fishing	..	....	24	26	23½	26	147
Brit. Empire Steel com	..	9½	8¾	9	9	9	40
Do first pref.	7	66	62	63	62	62	85
Do second pref.	..	22	21	22	21	21	166
Brompton Pulp	..	19⅛	19	20	18½	19⅞	1736
Burt, F. N. com.	10	109½	108	110	109	109½	128
Do pref.	7	110	....	109½	109½	109½	5
Canada Bread com	..	26½	26	26½	26	26	20
Do pref.	7	92	91	92	92	92	23
Can. Car and Foundry pref.	..	50	....	48¼	45	45	98
Canada Cement com.	6	....	57½	58	56	58	412
Do pref.	7	....	90	91	91	91	139
Canada Steamships com.	..	....	12	13	11¾	13	500
Do pref.	7	40½	39½	40	37½	40	1243
Can. Converters	7	78¾	78	79½	77½	77½	175
Can. Cottons com.	8	85	....	82	82	82	12
Do pref.	6	79	78¾	79	78	79	52
Can. General Electric com	8	94	93	95	93½	93½	343
Do pref.	7	....	98	99	98	99	25
Can. Locomotive com.	8	74	....	70	70	70	5
Do pref.	7	83	....	83⅛	83	83	35
Canada Pacific Railway	10	142	141½	142	140⅝	141	729
Carriage Factories com.	..	5	4½	4½	3	4½	200
City Dairy com.	7+3	96	94	94	94	94	170
Consumers Gas	10	....	148	149	149	149	7
Crow's Nest Coal	6	53	....	49	49	49	10
Detroit United Rialway	10	62	61	61	60	61	281
Dominion Bridge	4	70	69	70¼	69	69½	710
Dominion Canners com.	..	26	24	26	25¾	26	180
Do pref.	7	76½	....	75	75	75	20
Dominion Glass com.	6	61	60	61¼	60	60	155
Do pref.	7	....	90	91	90	91	30
Dom. Textile com.	12	....	136	138	137	138	168
Do pref.	7	....	105	106	105	106	22
Dom. Iron pref.	7	....	60¼	61½	61½	61½	3
Dom. Steel Corp. com.	..	23½	22½	23	22½	23	80
Do pref.	6	....	70	72½	71	72	127
Duluth-Superior	..	21	20	20	20	20	50
Ford Motor	15	330	315	310	300	310	110
Howard Smith com.	8	....	....	65	65	65	30
Do pref.	8	85	....	85	85	85	45
Illinois Traction com.	..	29	....	29	29	29	240
Do pref.	6	77½	....	77½	77½	77½	61
Lake of Woods com.	12	....	149	151	150	150	50
Do pref.	7	....	107	109	107	109	67
Laurentide Paper	6	82¾	82⅝	83½	80	83	1239
Lyall Construction	4	32¾	32	35	31	31	624
Macdonald A,	..	11	....	11	11	11	75
Mackay com.	6	84½	84	84½	84	84	602
Do pref.	4	....	64	65¼	63¼	64¼	131
Maple Leaf Mill, com.	12	132	131	132⅞	130	131	335
Do pref.	7	....	99	99½	98½	99½	62
Monarch Knitting pref.	7	82	78	78	78	78	5
Montreal L. H. & Power Cons.	5	86¾	86⅝	86¾	86	86½	735
Montreal Trams.	10	146¾	....	147	146½	147	188
National Breweries com.	4	56½	56¼	57¾	56⅛	57	3274
Do pref.	7	....	88	89½	89	89	93
Ogilvie Flour com.	12	205	202	205	205	205	80
Do pref.	7	....	105½	107	107	107	10
Ont. Steel Products com.	4	....	34	39	39	39	5
Ottawa L. H. & Power	6	....	81¼	82¼	81½	82¼	156
Pacific Burt com.	2	....	40	40	40	40	148
Do pref.	7	80	78	80	79	79	9
Penmans com	8	105	100	102	101	101	201
Do pref.	6	....	87	88	88	88	10
Porto Rico Railways com.	4	30	27	29¾	29	29½	105
Do pref.	7	76	70	70	70	70	10
Price Bros.	2	34½	34⅜	34½	34	34½	460
Quebec Railway	..	22¾	22	23¼	21¼	22⅛	960
Riordon Pulp com.	..	6½	5¾	6	5½	6	95
Rogers, Wm. pref.	7	....	77	76¼	76¼	76¼	20
Shawinigan	7	105	104½	105	104½	104½	208
Sherwin-Williams pref.	7	95	92¼	95	93¼	93¼	11
Spanish River Pulp com.	7	70½	69½	71	70	70	435
Do pref.	7	85	84¼	84½	83	84½	1298
Steel of Canada com.	7	63	62½	64	57	62¾	4925
Do pref.	7	94	93	93½	92⅞	93½	188
St. Lawrence Flour com.	6	79½	78	79¾	79	79¾	105
Tooks Bros pref.	..	69	....	60	60	60	10
Toronto Railway	..	62½	62¼	65	62	62½	860
Tuckett Tobacco com.	4	36	34	36	35	36	238
Do pref.	7	81	79	79	78	78	62
Twin City com.	..	42	41½	42½	41½	41¾	314
Wabasso Cotton	4	....	64	65	65	65	15
Wayagamack	..	45½	....	47	44¾	47	380
Western Can. Flour	8	....	115	115	115	115	19
Winnipeg Electric	..	35½	34½	35½	35	35	280
Can. Permanent pref.	12	....	178	178	178	178	30
Colonial Invest, pref.	6	7¼	7	7⅛	7	7	33
Landed Banking	8	....	136	140	140	140	25
National Trust	12	203	199	200	200	200	20
Toronto General Trusts	12	....	203	210	210	210	15

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PROFITS OF $4,678,000

After Allowing for Depreciation of $664,000—Interest Keen on Wood Pile Valuations

From Our Own Correspondent

MONTREAL. — Keen interest awaited the publication of the annual report of the Abitibi Power and Paper Co., for the year ending December 31, 1921, as this was the first of the big newsprint producers to report for a period during which the price of newsprint showed a considerable decline from the average of 1920 and the early part of 1921. The report when it came out caused a rather sharp controversy in investment circles, the opinions as to the showing varying greatly. A careful study of the report backed up by explanations from official sources on points that could be interpreted in different ways, leads THE FINANCIAL POST to conclude that the report is much more favorable than could have been expected from the heavy construction obligations indicated in the previous year's report, and one that holds out encouraging prospects for the shareholders of this Company.

One year ago it seemed impossible to many friends of the Company for it to meet the heavy liabilities to the contractors and still maintain a fair working capital in the face of the sharp decline in the price of newsprint. The report issued this week indicates that the Company has been able to improve very considerably its "construction" liabilities, while the surprising demand for its product is enabling it so far this year to meet these obligations and even to show a gradual increase in its net working capital. Indeed, the prospects are that by the end of another year it will have wiped out the final balance of construction costs well exceeding $5,000,000 during the past couple of years, meet the heavy deductions from surplus account due to the slump in the price of plupwood, and at the same time leave a fair surplus available for dividends.

Up From 86,000 to 140,000 Tons

Too great emphasis can hardly be placed on the Company's splendid productive capacity when taken in conjunction with the marked improvement in the demand from the United States for Canadian newsprint. The Abitibi Company, it is learned, produced about 86,000 tons in 1921; for weeks past its production has been averaging 450 tons a day, and it seems probable that the total production for 1922 will reach 140,000 tons, an increase of almost 55,000 tons for the year. It is quite true that the present price of newsprint is $70 a ton compared with an average during 1921 of over $100 a ton, but the cost of production is very much less this year, and the large reserves set aside for depreciation in the logs bring the cost well below $10 a cord, and this will enable the Company to produce newsprint at $70 and still make a substantial profit.

Profit and Loss Account

	1921	1920	1919
Receipts	$8,861,810	$10,580,142	$6,029,353
Expenses	4,183,637	5,537,009	3,903,635
Net earn.	4,678,172	$5,043,133	$2,125,717
Interest.	849,743	501,946	454,319
Dep. etc.	*989,762	793,018	527,704
Taxes	......	64,576	79,463
Balance	$2,838,666	$ 3,683,592	$1,064,230
Pfd. divs.	70,000	70,000	262,500
Balance	$2,768,666	$ 3,613,592	$ 801,730
Com. divs.	250,000	1,500,000	300,000
Balance	$2,518,666	$ 2,113,592	$ 501,730
Prev. bal.	3,688,571	1,574,979	1,073,249
Balance	$6,207,237	$ 3,688,571	$1,574,979
Dep. res.	2,177,144	....	....
Balance	$4,030,093	$ 3,688,571	$1,574,979
Gov. tax. 1919, 1920	482,000	....	....
P&L bal	$3,548,092	x$3,688,571	$1,574,979

*Including income tax for 1921.
xSubject to Govt. taxes for 1919 and 1920.

That Reserve of $2,177,000

Coming to the figures of the report in detail the net earnings for the year are given at $4,678,172 or very close to those of one year ago, $5.043,133. After meeting interest and depreciation charges and also an allowance for income tax for 1921, there remained available for common dividends a total of $2,768,666, representing over $11 per share on the 250,000 shares of the company. At this point a difference of opinion may arise as to what should be counted the "net profits" for 1921. In the report the president, F. H. Anson, states that a sum of $2,177,144 was reserved for "inventory depreciation." In the balance sheet, on the other hand, there is an item of $1,512,687 as "depreciation of inventories, less amount deducted from cost of wood consumed during 1921." This would appear to mean that the difference between the two amounts, or $664,457, was the depreciation on the "wood pile" allowed during the year 1921.

Should Inventory be Reduced?

An enquiry made by FINANCIAL POST of the Company indicates that this amount of $664,000 was taken into consideration when figuring profits for 1921, so that the amount given in the report of $4,678,000 may be allowed to stand insofar as the 1921 depreciation is concerned. The point remains as to what should be done with the $1,512,000 remaining of the reserve account for inventory depreciation. As an extreme step this might be deducted from the 1921 profits and leave only $1,256,000 available for common dividends, that is about $5 per share. Or, leaving the profits as they are, should the $1,512,000 be deducted from the inventory of wood which stands at $3,441,164 reducing this to a little over $1,900,000? This could be done on the theory that this loss of $1,512,000 on the wood pile had already been incurred during the year 1921, and that only the depreciated value of the inventory should be considered. If this were done the nominal working capital of $1,700,000 might conceivably be reduced to about $200,000, but on the other hand only $664,000 was required as depreciation in 1921 so that not all the $1,512,000 could fairly be deducted for 1922. What was done by the Laurentide Company and others was to set aside a reserve for depreciation of logs, and to make use of this month by month to cover the amount of wood actually used up, instead of deducting the full reserve of $2,000,000 at the beginning of the year. Probably one must wait until the year 1922 is at an end and the actual amount of depreciation is ascertained for the various companies to decide which is the fairer plan.

Construction Payments Spread Over

In figuring working capital of $1,700,000 there are included as current liabilities the full amount of the balance due on construction, namely, $986,986. An enquiry made on this point drew forth the statement that this is not considered an "immediate" or current liability, as the payment is spread over the greater part of 1922, and current earnings are more than sufficient to meet these payments. If this amount were not included among the current liabilities the working capital would be increased to $2,700,000 and as a matter of fact the Company has had this amount at its disposal since the beginning of the new year, and after making payments to the contractors is actually ahead in working capital from what it was at the end of 1921.

It thus appears that Abitibi has worked itself into a fairly comfortable liquid position during the year, not so much perhaps "on paper," as in actual practice—which counts for most—in spite of the fact that nearly $4,500,000 was spent on property during the year and contractors' obligations as on December 31, were reduced from $1,272,906 to $986,986, the total payments being actually greater than the proceeds of the bond issue of $4,500,000 made during the past year.

The balance sheet shows total inventories of $4,227,720, which include a valuation of $3,441,164 on logs ligations as on December 31, were balance of $786,555 being for paper, pulp, materials and supplies.

Lumping Government Taxes

The item of government taxes of $652,401 is hardly fair to the year 1921 as compared with 1920, as this figure includes 1920 and 1919, so that the improvement of 1921 over 1920 is all the more marked. It will be noted that the inventory valuation is left as it is for 1921, although, as has been noted, a deduction of at least $1,000,000 could reasonably have been made.

The valuation of properties is up from $19,870,405 to $24,258,930, or $4,380,000. Bonded indebtedness stands at $12,315,500, including the $4,500,000 issue of last year.

The items in the working capital account for the past two years compare thus:

Working Capital Position

	1921	1920	1919
Current Assets			
Inventories	$4,227,720	$3,273,869	$1,944,769
Accts. rec.	914,598	629,498	573,589
Govt. bonds	....	125,750	67,700
Cash	1,267,041	431,758	349,405
Total	$6,409,359	$4.460,875	$2,935,463
Current Liabilities			
Construction	$ 986,986	$1,272,906	$ 147,541
Bank loans	1,400,000	850,000	250,000
Ac. pay. etc.	1,645.286	2,071,900	1,168,574
Divs. due..	17,500	392,500	......
Govt. tax res.	652,401	......	......
Total	$4,702,173	$4,588,306	$1,566,115

Twenty-six corporations manufacturing Portland cement in middle west and 48 of their officers have been indicted for conspiracy in violation of Sherman anti-trust act. The 26 companies make 10 per cent of the cement manufactured in the middle west and 25 per cent. of total production of United States.

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DELAY LAND GRANT FOR QUEBEC RAILWAY

Present Hopes of Directors for 145,000 Acres Dashed by Cabinet—Good Statement Soon

From Our Own Correspondent

MONTREAL.—A dissappointment faced the directors of Quebec Railway, Light, Heat & Power Company at the week-end when the Quebec Cabinet decided against going on with a Bill that had been introduced into the legislature to grant a subsidy of 145,782 acres to the company. The purpose of the grant was to carry out a subsidy agreement that had been entered into at the time the Quebec and Saguenay Railway had been built. This called for a subsidy of 2,340 acres per mile and as 62.3 miles of road had been completed the proposal called for the amount of land mentioned above. The company received a grant also from the Dominion Government, but owing to an error the formal application had not been made for the Provincial grant at the proper time, some nine years ago. The rights of the Quebec & Saguenay Co. in consequence had become forfeited.

The cost of the building of this road, a steam one, not an electric one, was financed by the Quebec Railway, Light, Heat & Power Co., through the sale of French currency bonds in Paris. The road was only partially completed but Quebec Railway faced the obligation of paying interest on bonds that were outstanding to the amount of about $4,600,000, from which transaction no benefit was received, and the road finally was sold to the Dominion Government. The Quebec Railway Co., finally made an agreement with the bond holders last August and in due course these bonds will be retired All these facts were laid before the Quebec Government by representatives of the Company and the application for the land grant was based on the fact that the terms of the subsidy had been carried out and the Province had received the advantage of a road through territory that had been formerly without railway facilities. While the grant will not be made this session those in close touch with the company feel that the prospects are good for action next year.

The financial statement of the company, it is learned, will be available about the 10th of April at the time of the annual meeting. This will cover the period of eighteen months, from July 1, 1920 to December 31, 1921, as the date of the company's fiscal year was changed in 1920 to end with the calendar year. The report will be the best the company has made public for several years past and will show a substantial surplus in place of a deficit for the year ending June 30, 1920. The company has the advantage of increased railway fares and rates for gas and electricity.

The land grant announcement made the stock lose a portion of its recent rise but a part of the reaction has been recovered in view of the favorable character of the forthcoming annual report.

ENDURING INVESTMENTS

"Enduring Investments," a new book by Roger Babson, has just been published by the Macmillan Company of Toronto. This book is designed for the use of investors who wish to leave money or to give money away in such a way that it will do the most good. The opening part of the book deals with the value of money and where it ceases to be of value to its owner. The cause of failures in business is discussed at length, and the old, old story of trying to get something for nothing in wildcat schemes is brought out.

"Men, if you wish to stay on earth stay on the Job," is one of the striking arguments used to show that men should build up such businesses that will occupy them until death calls them. Statistics are quoted to show the number of men who die shortly after they have retired from business; for it is too great a shock to the body, and when no longer claimed by outside affairs, the mind turns inward upon itself, with lethal consequences. The whole secret is to build a business worthy of yourself.

In the second part another viewpoint is taken up of the word enduring. Instead of stock and bond investments, educational institutions, and the various forms of benevolences are emphasized as the only truly enduring investments. Logical arguments are given to prove this point.

PAINT COMPANY HELD UP PROFITS IN A HARD YEAR

Increase for 1921 Shown by Brandram-Henderson

EXPANDING POLICY

Linseed Plant of Marked Value and B. C. Operations—Working Capital $981,000

From Our Own Correspondent

MONTREAL.—The financial statement of Brandram-Henderson, which was submitted to shareholders at Halifax at the annual meeting on Thursday of this week, must be regarded as a satisfactory one. In the face of difficult conditions in the industry the Company was able to show an actual increase in net profits of nearly $27,000 over the previous year. The president, George Henderson, notes that the Company's "relative share of business offering continues steadily to increase." The subsidiary, the Alberta Linseed Oil Company, had a satisfactory year, and "has been of marked value to the parent company." The report further states that the Company has acquired the capital stock of the Pacific White Lead Company of Vancouver, B. C., and that "the acquisition of a plant on the Pacific coast should prove of great value in the successful prosecuting of our sales policy in British Columbia."

The report shows the reason for the action taken by the directors a couple of weeks ago in reducing the dividends on the common stock allocated for the current year from 5 per cent. to 3 per cent. When deductions from net profits had been made for bond interest and depreciation and preferred dividends, there was available for the common dividend $44,799, which was $14,000 less than was required to cover the 5 per cent. payment in 1921. The 3 per cent. for 1922 will require $35,397 so that the earnings of 1921 were more than sufficient to cover the 3 per cent. dividend. Referring to the dividend policy the report states:

> "In view of the uncertainty of the immediate future from the standpoint of profits, and because it was felt that at this time the company should remain in as liquid a position as possible, your directors, in declaring the continuance of the present dividend of 7 per cent. on the preferred stock, payable quarterly to shareholders of one month prior to dates of quarterly payments, reduced the dividend on the common stock by 2 per cent."

Further evidence of a conservative policy on the part of the directors is seen in the provision of a special reserve of $35,000 for possible loss on accounts receivable, and a further reserve of $20,000 established against the possibility of further depreciation in the values of merchandise. Both of these reserves were deducted from the profit and loss surplus which stood at $828,360 as compared with $897,506 at the end of 1920.

The profit and loss accounts for the past three years compare as follows:

Profit and Loss Account

	1921	1920	1919
Net profits	$147,742	$120,835	$299,736
Deduct bond interest	60,443	59,935	50,798
Deduct res. for depreciation	7,500	7,500	....
Balance	$ 79,799	$ 53,400	$248,938
Pref. div.	35,000	35,000	35,060
Avail. for com	$ 44,799	$ 18,400	$213,938
Add balance forward	897,506	639,027	501,519
	$942,305	$657,427	$715,457
Deduct com. dividend	58,945	48,500	38,800
Balance	$883,360	$608,927	$676,657
Res. possible loss on mdse.	20,000	140,000	......
Res. poss. loss on acc. rec.	35,000	......	......
War tax	......	20,965	19,629
Sinking fund	......	......	18,000
P.& L. surplus	$828,360	$447,962	$639,027
Add surplus from revis. property	......	449,544	......
P.& L. surplus	$828,360	$897,506	$639,027

The balance sheet shows a working capital position practically as strong as one year ago. Bank loans are almost wiped out, and accounts payable are down considerably. The inventory has been reduced $235,000. The items for the past two years compare thus:

Working Capital Account

CURRENT ASSETS	1921	1920
Merchandise	$ 858,879	$1,093,632
Acc. rec.	328,638	414,254
Bills rec.	1,800	1,800
Cash	15,676	7,199
	$1,204,993	$1,516,887
CURRENT LIAB.	1921	1920
Bank loans	$ 23,000	$ 225,492
Bills pay.	5,728	7,926
Acc. pay.	169,036	206,305
Pref. div.	8,750	8,750
Bond int.	16,791	16,746
Und. div.	512	......
	$ 223,818	$ 465,219
Bal. work. cap.	$ 981,175	$1,051,668

WINNIPEG ELECTRIC INCREASED ITS OUTPUT

A Good Showing Made in Face of Increased Operating Expenses

Although the operating expenses in connection with the Winnipeg Electric Railway Company showed a further increase during 1921, the expansion of gross earnings was such that the net operating revenue showed a very satisfactory increase which was further enlarged, as compared with the previous year, by income from miscellaneous sources. The total net of $2,020,050 compared with $1,881,503 in 1920 and $1,323,623 in 1919. Interest charges were reduced, but the amount required for the city's percentage and taxes was much higher, the net result of the various appropriations being that net profits of $928,965 compared with $796,575 for 1920 and $297,855 for 1919. Depreciation took $323,655 and preferred dividends $182,368, but this left the substantial sum of $442,942 to be added to surplus which totalled $1,845,501 at the end of the previous year. Following are comparative figures from the profit and loss account:

	1921	1920	1919
Gross	$5,418,023	$5,233,700	$4,284,479
Expenses	3,559,380	3,428,897	3,019,495
Net Op. Rev.	$1,858,643	$1,804,803	$1,264,984
Miscell. inc.	161,407	76,700	58,639
Gross income	$2,020,050	$1,881,503	$1,323,632
Interest	633,331	716,214	696,490
Ext. of disc.	52,526	26,786	37,672
Perct. of Taxes	347,384	308,488	273,156
Other charges	57,8[illegible]	33,437	18,450
	$1,091,085	$1,084,928	$1,025,768
	$928,965	$796,575	$297,855
Depreciation	323,655	201,050	201,050
Net income	$605,310	$595,525	$96,805
Pref. dividend	182,368	4,444	....
Sinking fund	......	60,000	60,000
Surplus	$422,942	531,081	$36,805

The following directors were elected for the ensuing year and until their successors are appointed: Sir Augustus Nanton, A. W. McLimont, Hugh Sutherland, Geo. V. Hastings, F. Morton Morse, A. J. Nesbitt, W. J. Bulman, W. R. Bawlf, D. N. Finnie.

At a subsequent meeting of the directors the following officers were appointed for the ensuing year and until their successors are appointed: Sir Augustus Nanton, president; A. W. McLimont, vice-president; F. Morton Morse, secretary; L. Palk, assistant secretary; J. S. Mackenzie, treasurer.

At the shareholders' meeting Mr. William Whyte, one of the shareholders, took occasion to compliment the management on the excellent showing made and on the cordial relations existing between the company and the public.

SAWYER-MASSEY HAS GONE IN FOR ROAD MACHINERY

The Plant is Now Operating About Fifty Per Cent. Capacity

Adverse conditions prevailing in the agricultural implement industry last year are reflected in the annual statement of the Sawyer-Massey Company, Limited, of Hamilton for 1921. The larger part of the company's products are sold direct to the farmer, and with the prices of his product reduced by almost half, during the year, his purchasing power was seriously impaired and purchases were restricted to actual necessities. The net profits of the year after providing for all operating expenses amounted to $133,027 as against $223,815 of the previous year or a decline of approximately 40 per cent.

From the profits of the year, there were allotments for bond interest, bond flotation expenses and $63,180 was set aside on account of the decline in the market value of the inventory. There is carried to the credit of the profit and loss account the sum of $6,275, which in turn reduces the debt balance of this account to $342,922.

The following table gives the comparative statements of the company's earnings for the past two years:

	1921	1920
Profits	$133,027	$223,815
Bond interest	24,630	28,620
Bond expense	4,205	4,205
Loss on bonds	....	4,023
Prov. for bad debts	34,735	......
Income tax	....	12,000
Res. for dep.	....	24,000
Inventory res.	63,180	50,000
	$126,751	$122,848
Surplus	6,275	100,966
Deficit	*349,197	452,987
Debit bal.	$342,922	$352,020

*Income tax deducted.

President R. Harmer, in commenting on the general conditions of the company, states that the company's plant is being operated at about 50 per cent. of its capacity; efforts are now being centered on the manufacture of engines and road making machinery, the sale of which is encouraging. The demand for threshers will be largely governed by the 1922 crop conditions.

The balance sheet shows a small reduction in assets from $5,915,316 of 1920 to $5,828,345 of the past year. The current assets show a surplus over current liabilities of $2,919,718. Fixed assets are valued at $5,244,632 and after depreciation and outstanding bonds there is a total surplus of approximately $2,430,000, which is equivalent to par of the $1,500,000 outstanding preferred, and about $72 per share on the outstanding common. Compared with the report of last year the reduction of liquid surplus is wholly due to the additional investment in plant equipment of $32,000, reduction in bonds of $59,000 and the decline in the inventory values of $113,000. The aggregate of liabilities are $17,000 less.

STEEL DIVIDEND HELPED THE MARKET

Declaration of Regular Rate on Common of Steel of Canada Regarded as Encouraging

From Our Own Correspondent

MONTREAL.—The declaration of the regular dividend on Steel of Canada common stock, 1¾ per cent., at a meeting of directors, held in this city, had a surprisingly good effect not only upon the market strength of this stock but on public sentiment in general. The stock itself jumped three points overnight and within the next day or two was up over three more. The statement of the president, Robert Hobson, that "conditions are gradually improving," was generally accepted to indicate that the company had passed by its worst stage and that if the common stock could be continued up to the present the dividend was sure for the future. As a matter of fact the company has one of the most substantial surpluses of any of the listed concerns amounting to $8,740,965 at the end of 1920, with the probability of a slight increase at the end of 1921. This surplus in itself covers nearly 50 per cent. of the total amount of preferred and common stock.

This years Leipzig Fair shows that German manufacturers are overburdened with orders in most lines.

WESTERN HOMES
Limited
WINNIPEG, MAN.
Capital Authorized ..$5,000,000
Capital Subscribed... 1,700,000

Mortgage Investments

Available shares afford a safe and profitable investment for savings. For full particulars write the Company's Office, Confederation Life Building, Winnipeg.

Automobiles
ROLLS-ROYCE
(English Built)

Sales Representatives or
Toronto District

G. E. Gooderham & Co.
97-105 Richmond Street West
Toronto Ad. 6780

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter 1727
Paid-up Capital ....£ 2,000,000
Rest and Undivided Profits.. 1,241,777
Deposits 40,740,031

Head Office:
St. Andrew Square, Edinburgh.
Cashier and Gen. Mgr., A. K. Wright.
Secretary, J. B. Adshead.
London Office—3, Bishopsgate, E.C. 2.
Alex. Dick, Wm. Whyte, Joint Mgrs.
Glasgow Office—Royal Exchange Square and Buchanan Street.
Thomas Lillie, Agent.
175 Branches throughout Scotland.

Banking business of every description transacted. Deposits received at interest, repayable at call or at notice. Drafts, Circular Notes, Letters of Credit, and Cable Transfers issues—available throughout the world. Foreign Exchange. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Correspondence invited.

Canada's Favorite Pipe Tobacco

OLD CHUM

OLD CHUM
VIRGINIA FLAKE CUT
SMOKING
TOBACCO

In tins and packets

The Tobacco of Quality

The Tire That Means Most in Long Mileage, Economy and Comfort to Canadian Motorists These Days is:—

DUNLOP TRACTION CORD

¶ Dunlop Cords, with Dunlop Extra Heavy Service Tubes, make the ideal tire equipment for every car, any place and in all weathers.

¶ "Some two years ago I purchased two Dunlop Traction Cord Tires, 32x4. Since placing them on my Columbia Car I have covered 18,500 miles. In view of the almost uninterrupted service they have given, and still are giving, I feel it is my duty to inform you of the great satisfaction I have received from their use. Also, I must congratulate your Company on the high standard of quality that is put into the manufacture of tires, to enable them to give such service."

¶ In Dunlop Cord Tires you have "Traction" and "Ribbed" to choose from.

¶ In Dunlop Fabric Tires you have "Traction," "Ribbed," "Special," "Clipper," "Plain."

Dunlop Tire & Rubber Goods Co., Limited

Head Office and Factories: Toronto Branches in the Leading Cities

T 163¾

The Occidental Fire Insurance Company
Winnipeg, Man.

FIRE AUTOMOBILE HAIL

Balance Sheet as at December 31st, 1921

ASSETS

Cash in Bank		$ 20,607.93
Agents' Balances		99,851.39
Losses Recoverable		24,021.98
		144,481.30
Bonds and Debentures—Book Value	$573,460.30	
Less Amount Reserved in accordance with Dominion Government regulations	2,224.30	
		571,236.00
Loans on Mortgages		99,044.42
Interest Accrued		11,248.31
		$826,010.03

LIABILITIES

Losses Under Adjustment		$ 43,444.49
Amount Retained on Account of Re-insurance		68,201.52
Sundry Creditors		6,640.62
Taxes, Interest and Commission Accrued		19,195.18
		137,481.81
Reserve for Unearned Premiums		186,390.73
Total Liabilities to the Public		323,872.54
Capital and Surplus—		
Capital authorized and subscribed. $500,000.00		
Capital paid up	$200,000.00	
Surplus	302,137.49	
		502,137.49
		$826,010.03

Riddell, Stead, Graham & Hutchison, Chartered Accountants

Board of Directors:
C. A. Richardson, President.
F. J. L. Harrison, Vice-President and Secretary
S. E. Richards S. L. Cork Travers Sweatman
W. S. Davis, Branch Manager, Montreal
J. E. Allison, Supt. of Agencies, Regina, Sask.

The Emergency Tariff Hits Canada's Exports

The effect of the Emergency Tariff on Canada's exports to the United States is emphatically shown in figures compiled by the External Trade Branch, Dominion Bureau of Statistics. For the nine months ending February 1921, our exports under the items affected by the tariff amounted to $147,650,000, while for the nine months ending February of this year the total was only $34,670,000. For February alone the total under these heads declined from $10,540,000 to $940,000. Following are comparative figures for the nine month period:

	1921	1922
Sugars	9,005,353	1,956
Molasses	76,623	52,422
Tobacco	32,590	3,785
Butter	2,651,451	1,059,855
Cheese	158,810	378,152
Beans	25,501	10,502
Flax seed	3,445,646	5,129,306
Apples	110,395	2,379,912
Corn	5,917	2,229
Beef, veal, mutton, lamb and pork	5,734,053	3,101,931
Meats, all kinds	525,337	135,086
Milk	344,483	244,077
Cream	1,758,747	2,129,238
Milk, condensed	1,746,112	205,745
Potatoes	2,322,686	826,449
Cattle	20,462,014	2,911,928
Sheep	1,749,333	505,054
Wheat	85,420,340	13,386,304
Wheat flour	10,173,533	2,192,747
Wool	1,903,673	17,115
	147,653,197	34,670,793

TRADE MARK VALUES

Value in a trade mark finds the best illustration in C. W. Post's history. He feared a 15-cent competitor for his 25-cent Postum package, so he started a competitor himself. He took out of the Postum bins exactly the same thing he had been selling at 25 cents, put it in a different package, labelled "Monk's Brew", shipped 50,000 cases over the country and gave orders to advertise and push it as a competitor. But the people rebelled. Some said it was too sweet; some not sweet enough. Some said it was too cheap to be good; and the majority apparently said it was not worth the money. The public refused it and 49,000 cases of "Monk's Bre were shipped back to the factory dumped into the original bins they came, to go out at a high under another name.

MONEY BANKING AND EXCHANGE

STERLING MAKES RAPID RECOVERY DURING PAST WEEK

Improvement in Situation Abroad Restores International Confidence

The rapid recovery of sterling throughout the past week, from a low of $4.27 of a week ago, to $4.39, is regarded as restoring that confidence which had been shaken during the previous week. The substantial reaction in sterling after the first of the month is now attributed to the stopping of gold shipments from England to the United States and partly to the interruption of the American buying on the London security market, as a result of the developments in India and South Africa. The market was also affected by the Washington Government's unexpected demand to be recompensed out of the reparation pool, for the cost of its army in Germany.

The prolonged embargo on the gold production in the Rand, has affected the market to a considerable degree. It is improbable that any South African gold will be shipped to the United States for many weeks. It is interesting to note, in view of the recent rise, that traders say that the upward swing of the market is artificial and that there is large speculative interests working both ways, with the coverings of the shorts in the majority. They say that there is no good reason for a rise in the markets at this time, as there have been no big improvements in the influences which sway the exchanges.

Februray trade figures for the United States show that trade currents are moving in favor of the debtor nations. The American export balance is the smallest in years, and if the gold and silver movement is counted, the total balance due the United States is only about $9,000,000. Invisible items such as tourist expenses, freight, etc., will probably more than wipe out this amount.

The European exchanges on the continent were erratic throughout the week. Francs fluctuated between 8.96 and 9.03. Italian lire were very uncertain, the speech of Premier Facta was only a formal one at the opening of parliament, and the movement of lire will be influenced by the future course of the new cabinet. Marks also fluctuated, the extent of which was between .35 and .38.

Canadian funds firmed up considerably during the past few days. The high discount rates on Canadian funds during the past ten days was caused by heavy withdrawals of American money deposited in Canada to await more favorable exchange rates. There is no way of estimating the amount of these deposits, but it is generally thought to be well over $100,000,000.

NEW YORK FUNDS

Mar. 16—Irregular, inclining to greater strength, closed at 3 13-16, up 1-4c.

Mar. 17—Opened at 3 3-4, closed at 2 1-2, net loss, 5-16.

Mar. 18—Fluctuated between high of 3 7-16 and low of 3 3-16.

Mar. 20—Steady opening at 3 1-2, closing at 3 3-8.

Mar. 21—Moved down from opening of 3 3-8, closing at 3 1-16.

Mar. 22—Opened at 2 15-16, weakened at close to 2 3-4.

STERLING AND FRANCS

	Demand	Cables	Demand	Cables
Mar. 16—	$4.34⅛	$4.34⅞	11.14	11.16
Mar. 17—	4.38⅝	4.39⅜	11.16	11.18
Mar. 18—	4.39¼	4.40	11.04	11.06
Mar. 20—	4.37¼	4.38	11.15	11.17
Mar. 21—	4.38¼	4.39	11.15	11.17
Mar. 22—	4.39⅛	4.39⅞	11.02	11.04

WIRELESS FOR FARMERS

A Chicago dispatch says that many farmers in the west are installing small sets of radi-telephones costing from $25 to $50. Every business day at 2.15, 5.15, 6.15 and 7.30 a man in Chicago reads into the wireless telephone sending apparatus the latest government figures from the livestock, grain, dairy, fruit and vegetable markets.

WEEKLY BANK CLEARINGS

In comparison with same week last year

EASTERN CITIES

	Mar. 16, 1922		Change	%
Toronto	$90,734,026	+	$1,356,469	1.5
Montreal	96,703,010	+	1,197,830	1.2
Ottawa	6,327,055	—	735,464	10.4
Quebec	4,480,776	—	1,295,740	22.4
Hamilton	4,837,176	—	906,904	15.7
London	2,545,752	—	347,545	12.0
Halifax	2,908,319	—	144,411	4.7
Windsor	2,736,642	+	37,685	1.3
St. John	2,664,162	+	44,594	1.7
Moncton	848,119	—	220,301	18.9
Kitchener	966,744	+	171,619	21.5
Brantford	944,799	—	145,663	13.3
Sherbrooke	760,882	—	448,324	37.0
Peterboro	699,144	—	178,419	20.3
Total East	$218,156,606	—	$1,614,574	.7
Kingston	552,148			

WESTERN CITIES

	Mar. 16, 1922		Change	%
Winnipeg	$41,313,975	+	$810,490	2.0
Vancouver	11,595,569	—	1,482,664	11.3
Calgary	4,770,666	—	3,341,195	41.1
Edmonton	3,984,453	—	159,030	3.8
Regina	2,924,411	—	900,103	23.5
Victoria	1,836,142	—	631,763	25.6
Saskatoon	1,406,968	—	364,505	20.5
Moose Jaw	1,063,409	—	242,969	18.6
Ft. William	678,410	—	89,386	11.6
N. W'minster	625,071	+	65,840	11.7
Lethbridge	560,136	—	77,029	12.0
Brandon	559,392	—	34,871	5.8
Med. Hat	333,330	—	9,470	2.7
Pr. Albert	299,706	—	14,401	4.5
Total	$71,951,638	—	$6,471,056	8.2
and Total	$289,108,244	—	$8,085,630	2.7
date	$2,063,396,459	—	$181,290,428	8.0

BANK FAILURES IN U. S.

Four Hundred and Seventy Close Doors in Three Years

Bank failures in Canada very happily have been few, and even these have been far between. The Merchants Bank did not fail—no depositor lost a single dollar, nor is he in any danger of losing a dollar.

The contrast between conditions in the United States and Canada is most striking, says The Teller, reflecting great credit on us. During the last three years there have been no less than 471 bank failures in the United States, the details of which are as follows:

1921	No.	Liabilities
National	35	$26,413,652
State	272	102,138,776
Savings	12	4,194,517
1920.		
National	15	8,961,301
State	109	25,974,976
Savings	4	3,214,420
1919.		
National	22	7,291,000
State		
Savings	2	95,000
	471	$178,283,642

The year 1921 was a particularly disastrous one, partly caused by the reaction in trade and the commercial insolvenices resulting therefrom, but very largely owing to the number of State Banks, totalling 272, which closed their doors. Many of these banks were in Dakota, where land banks were founded in the mistaken interests of farmers.

BANK OF HAMILTON HAD A GOOD YEAR

Profits Were Lower But Still Above the Record For 1919

The annual report of the Bank of Hamilton shows an anticipated decline in profits as a reflection of the conditions which have recently prevailed in the business world. The total of $850,672 compared with $888,019 for the previous year but was still higher than the $847,105 for 1919, the previous high record In addition to appropriations for dividends, pensions, taxes etc., $100,000 was written off bank premises. Following are comparative figures:

	1921	1920	1919
Br' forward	$139,265	$85,249	$85,114
Profits	850,672	888,019	847,105
Prem. on stk	890	499,110	500,000
	990,827	1,472,378	1,432,219
Dividends	599,954	598,569	469,184
Pension	23,408	20,434	40,318
Taxes	49,984	65,000	37,468
Premises	100,000	....	100,000
Reserve	890	649,110	700,000
Balance	216,590	139,265	85,249
	990,827	1,472,378	1,432,219

The bank's earnings record for the past eight years is summarized as follows:

	Earn	Div.	% earn on cap.	*% on Invest.
1921	$850,672	12	17.0	8.6
1920	888,019	12+1	19.3	9.0
1919	847,105	12	21.1	10.2
1918	571,226	12	19.0	8.7
†1917	598,522	12	19.9	9.2
1916	442,525	12	14.7	6.8
1915	424,274	12	14.4	6.2
1914	485,265	12	16.5	7.9

*Per cent. earned on the balance brought forward, rest and capital represent the shareholders' funds.

†For fifteen months.

ONLY FOUR BRANCHES OPENED IN MONTH

Ten Bank Offices Were Closed During February—Net Loss of Six

Returns from the various Canadian chartered banks show that during the month of February only four new branches were opened, while for the same period ten branches were closed. Three of the new branches are situated in Ontario and one in Alberta. The Hochelaga closed four branches; Commerce and Union two each, and the Hamilton and Montreal one each. Following is a list of the branches opened and closed:

Opened

Commerce—City Hall, Toronto.
Home.—Mount Brydges, Ont.
Toronto.—Ottawa, 106 Spark Street.
Union.—Edmonton, Alberta Ave., and 95th Street.

Closed

Commerce.—Louiseville, Que.; Radway Centre, Alta.
Hamilton.—Milo, Alta.
Hochelaga.—Asbestos, Que.; Hemmingford, Que.; Grouard, Alta.; Plamondon, Alta.
Montreal.—St. James Street, Montreal.
Union.—Dawes and Danforth, Toronto; Edmonton Stock Yards.

During the first two months of the year there were fifteen new branches opened and twenty-five closed.

STERLING

The Sterling Bank announces the following staff changes: T. H. Charles, of the Montreal office, transferred to Killaloe; T. H. C. Beatty, of the Parliament Street, Toronto, branch, succeeds Mr. Hawke as teller at Orangeville, Mr. Hawke having been promoted to the accountancy at that branch; T. E. Brett, appointed acting manager of the Adelaide Street, Toronto, branch, replacing E. L. Brown, who has been transferred to head office; Mr. McLellan, teller at the Cornwall branch, transferred to Almonte.

AMERICAN BANKS FEEL CONTRACTION OF FOREIGN TRADE

Park-Union Fourth Organized in 1919 to Quit Business

The merging of the interests of the Asia Banking Corporation and the Park-Union Foreign Banking Corporation, with the ultimate withdrawal of the latter institution as a working unit in foreign banking ends another chapter in the history of international banking in recent months. "The closing of its affairs by the Park-Union marks the fourth bank organized in 1919 to aid in foreign trade to quit business and liquidate," says the New York Times.

The slowing down of international banking which has been in progress over a period of eighteen months or two years, has had a most depressing effect upon the banks formed essentially to reach out for foreign trade financing. "Practically every bank with an international business has suffered losses," the London Statist has declared in an analysis of the situation.

Canadian interest has naturally centered in the various foreign banks which have been formed in New York city, for the reason that Canadian trained bankers were outstanding in the initiation of the movement. It will be recalled that two Canadian trained bankers, Archibald Kains and T. Fred Aspden were prominently identified with the promotion in 1917 of the pioneer, the American Foreign Banking Corporation, in which the Standard Bank of Canada became a stockholder. The Foreign Trade Banking Corporation (organized in 1919) went into voluntary liquidation last year, on account of unsettlement in international commerce and later the Mercantile Bank of the Americas passed into the hands of a committee owing to the fall in commodity prices and the dislocation of exchanges in Cuba and Central and South America. In the closing months of last year American bankers finally abandoned or at least temporarily laid aside the mooted Foreign Trade Finance Corporation of New York, in whose progress Canadian bankers were interested because John McHugh, president of the Mechanics and Metals National Bank, New York, and a native of Belleville, Ont., was chairman of the organization committee.

Foreign Branches Too

The Foreign Trade Banking Corporation dealt in acceptances and was regarded as the pioneer bank in the United States; while the Mercantile Bank of the Americas was organized toward the close of the war period by American banks and trust companies to finance import and export trade. These banking syndicates since the war have become not uncommon in the United States, facilitating by acceptances movement of the large export surplus. Side by side with this interesting banking development some of the largest New York banks of themselves established a system of foreign branches or subsidiaries.

For a time all went well, but the cancellation of contracts that accompanied trade depression led to the return to American drawers of drafts dishonored by foreign buyers in respect to goods financed by these new organizations and the consequent loss, combined with unsettlement of trade and exchanges, has brought about an almost complete reversal of policy.

During 1921 more than fourteen foreign offices or agencies of American banks ceased operations. The stronger units still maintain their overseas connections, but the fact that the hazards of foreign banking proved too much for many American bankers is of particular significance.

Canadian banks, with the single exception of the Canadian Bank of Commerce's entrance into the Argentine, have made no move in a year to extend their direct foreign connections, but it is worth noting that our bankers have not as yet been compelled to withdraw the international branches, already established.

A General Movement

The present decision of the Park-Union Foreign Banking Corporation, which was organized early in 1919, and owned jointly by the National Park Bank of New York and the Union Bank of Canada, was prompted by the present limited condition of the foreign field, according to the official statement outlining the consolidation. "The announcement came as a surprise generally in the financial district although in certain quarters reports have been current for some time that action in this direction was contemplated by one of these institutions," says the New York Journal of Commerce,

FUNDS GIVEN FOR RELIEF DIVERTED FOR PROPAGANDA

Branches of American Red Cross are Warned To Exercise Care

From Our Political Correspondent

WINNIPEG.—The Free Press says: Money contributed to aid starving Russians is being diverted at New York back to this continent to carry on Bolshevik propaganda, the money never getting beyond New York. This is the information issued by the American Red Cross agencies to their branches in the United States with the warning that greatest care should be exercised in forwarding funds. A copy of this warning was received to-day in Winnipeg by a private citizen not connected with the Red Cross. The warning makes clear that avenues still exist whereby funds for Russia may be sent into the proper channels, but that care should be exercised.

Business men interviewed by The Free Press were emphatic in their statements that while they were fully in sympathy with the sufferings of unfortunate women and children, yet were averse to giving money with the possibility that it be used in propaganda, and cited the instance of South Africa, wherein disclosures made this week established that Russian money had been used to foment revolt in South Africa and strong evidences of the same in India.

BANQUE NATIONALE TO INCREASE CAPITAL

From Our Own Correspondent

MONTREAL.—A simultaneous announcement was made by the Banque Nationale on Wednesday of a reduction in the dividend from 12 to 6 per cent., and a decision to increase the capital stock from $2,000,000 to $3,000,000. The dividend payable on May 1 next, for the current quarter, will be 1½ per cent. instead of 3 per cent. as usual. Action of this nature has been expected for some time and the price of the stock has discounted such a step. The capital stock of the bank was $1,200,000 in 1901 and an increase of $300,000 was made at the end of that year. In 1906 a similar increase was made and in 1908 another, there being a premium charge of 20 per cent. in the latter two cases. The directorate of the bank was recently strengthened by the addition of several well known financial and industrial men.

EXCHANGING STOCK OF MERCHANTS BANK

Arrangements to be Made Without Delay—Difficulty Over Odd Shares

From Our Own Correspondent

MONTREAL.—A letter will be sent out at the week-end by the directors of the Merchants Bank explaining to their shareholders how they may exchange their stock for that of the Bank of Montreal, two for one, and receive in addition $10 cash per share. The Bank of Montreal stock and the cash payment, it is learned, has already been handed over to the Merchants Bank directors for the shareholders, and these will be asked to give power of attorney to the directors to arrange the exchange. One difficulty will arise in regard to those who have single shares of Merchants Bank stock, or uneven shares leaving an odd share out. There is no such a thing as a "half" share of a bank stock, so that it seems probable some form of payment may have to be arranged for these single shares of the Merchants Bank, as these are now no longer saleable as the bank does not exist, and they stand in reality only for the "rights" to exchange for the other stock.

MERCHANTS STOCK ADVANCES

From Our Own Correspondent

MONTREAL.—The news of the ratification by the Minister of Finance of the merger proposal of the Merchants Bank with the Bank of Montreal influenced the price of the latter stock and it rose to 220. This was a new high for this year, 3½ points ahead of the high of 1921.

LA BANQUE NATIONALE
Founded in 1860
THE OLDEST FRENCH-CANADIAN BANK
HEAD OFFICE: QUEBEC, P.Q.
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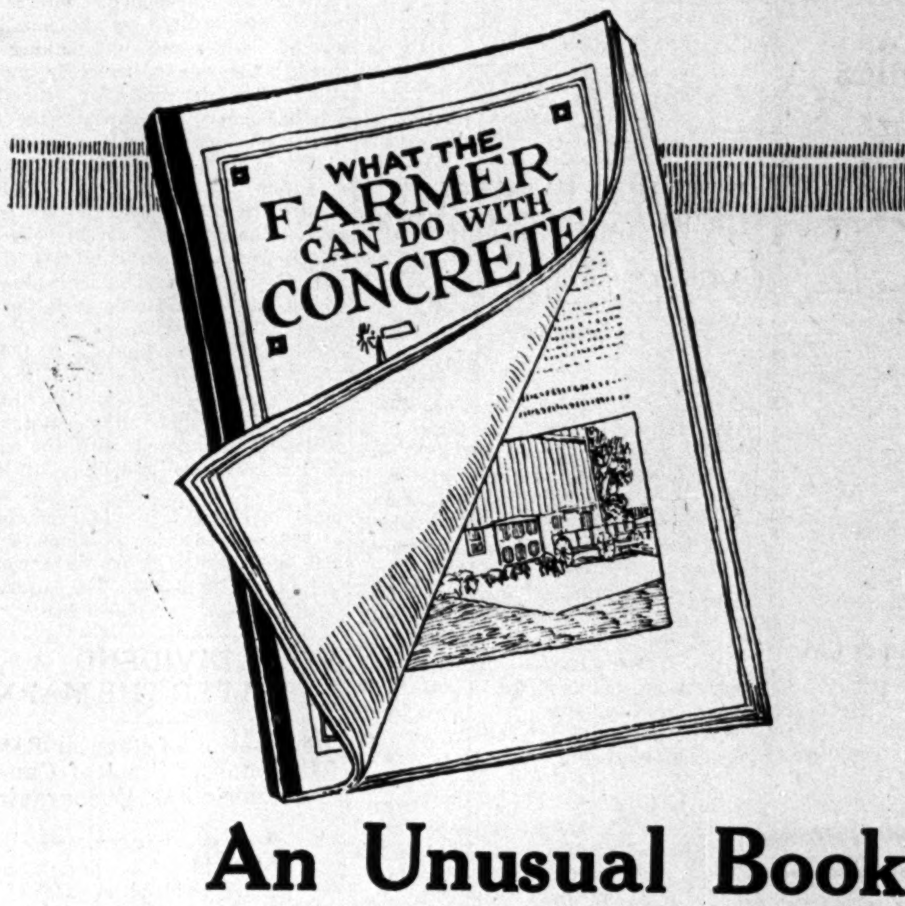

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NEWS AND VIEWS FOR MANAGERS

MANITOBA MAY DROP PROVINCIAL BANKING SCHEME

Sound Farmers Realize That Public Credit is Being Undermined

From Our Own Correspondent

WINNIPEG.—Manitoba's political upset is not without far-reaching economic influences. The withdrawal of the Norris Government from the provincial arena may very possibly mean a completely new attitude toward the various existing economic policies. With the incoming of a new administration, financiers, here, foreshadow a complete swinging away from the Utopianism of the Hon. Edward Brown, resigning provincial treasurer—particularly should the Farmer group in politics assume the direction of provincial affairs.

The next ministry, undeniably, will come into power on a platform of retrenchment.

Realizing that ultimately they must pay the price of undue governmental liberality in rural credit financing, the sound farmers of Manitoba who at no time have had difficulty in arranging banking credit are believed to be exerting pressure against a further branching out of the provincial rural credit program. This concerted opposition seems certain to make itself felt in the coming election campaign.

Expensive Government

"The financial affairs of the province have drifted into troubled water," to quote the Winnipeg Tribune's review of the provincial crisis as strictly applied to the economic factors. "The administration of the estate of the province has become more expensive than its present resources justify."

Manitoba is concerned in a number of undertakings which are likely to involve heavy financial burdens and require management and supervision of a high order to insure success in the opinion of the Tribune critic. Prior to the Norris Government's downfall, Hon. Edward Brown admitted in the provincial house that the rural credit scheme was unlikely to become self sustaining in the near future.

In the last two years approximately $50,000 has been appropriated from the general funds of the province to meet the expenses of the rural credits. "To all fair-minded people this, fully, justifies the stand taken by the banks, that the rate was too low and money was being lent at less than market price," to quote the president of the Canadian Bankers' Association's recent statement. The result is that there is an increasing disposition throughout the province to question the soundness of the farmers and other tax-payers being taxed to provide money for a comparatively few members of the community at less than cost. Winnipeg financiers express the belief that an incoming administration, rather than ride expensive hobbies of the fallen ministry will quickly determine that the consolidated revenues of the province have in the last five years borne more than their proper share of the financial burden for the furtherance of provincial banking and rural credit extensions.

It is forecast that the rural credit and provincial bank machinery of Manitoba will ultimately be scrapped as government-sponsored measures—as economically unsound and too expensive for public up-keep.

There are rising 9,000,000 passenger motor vehicles—excluding trucks—in operation in the United States today. The average cost to the present owner was not less than $800, or a total investment of $7,200,000,000.

A Remarkable Table of Dividends

NEXT to growing the grain, flour milling is the most natural of all Canadian industries. Yet strangely enough this industry has not had the growth in Canada that its merits deserve, or that the amazing profits in it should have stimulated. For example: The following is a table of the Dividends paid by the various Canadian Milling Companies in the past few years. These Dividends in most cases were only paid after setting aside substantial reserves out of earnings.

RECORDS OF DIVIDENDS
(Taken from the Annual Financial Review, 1921 Edition)

The Ogilvie Flour Mills Company, Limited
Preferred Shares 7% per annum regularly paid.

Common Stock Dividend

1917 Cash Dividends	10½% and 15%
1918 Cash Dividends	12% and 15%
1919 Cash Dividends	12% and 15%
1920 Cash Dividends	12% and 10%

Lake of the Woods Milling Company, Limited
Preferred Shares 7% per annum regularly paid.

Common Stock Dividend

1917 Cash Dividend	8%
1918 Cash Dividend	10½% and 2 Bonuses of 2½% each
1919 Cash Dividend	12%
1920 Cash Dividend	12% and 25% Bonus

Maple Leaf Milling Company, Limited
Preferred Shares 7% per annum regularly paid.

Common Stock Dividend

1917 Cash Dividends	10% and 11½%
1918 Cash Dividends	10% and 14%
1919 Cash Dividends	12%
1920 Cash Dividends	12%
1921 Cash Dividends	12%

The Maple Leaf Common Shares above referred to were given as a bonus with the Preferred Shares when they were placed on the market. The present market value of the Common Stock is $115 per share.

Western Canada Flour Mills Co., Limited

Common Stock Dividend

1918 Cash Dividends	8% and 2% and 10% in Victory Bonds
1919 Cash Dividends	8% and 2% and 10% in Victory Bonds
1920 Cash Dividends	8% and 2% and 15% in Stock

International Milling Company, Limited
Preferred Shares 7% per annum regularly paid.

Common Stock Dividend

1914 Cash Dividend	28% Stock Dividend 40%
1915 Cash Dividend	30% Stock Dividend 20%
1916 Cash Dividend	31% of which $40,000 was invested in Common Stock
1917 Cash Dividend	47% of which $250,000 was invested in Common Stock
1918 Cash Dividend	40% of which $275,000 was invested in Common Stock
1919 Cash Dividend	16%
1920 Cash Dividend	16% and 30% Common Stock.

We are offering for immediate subscription the 8% Sinking Fund Cumulative Preference Shares of the Copeland Flour Mills, Limited, at 100, carrying a bonus of 30% in Common Stock.

We believe that these Common Shares should, in course of time, earn dividends equal to the Common Shares of the Maple Leaf or any other Canadian Milling Company—a portion of the Maple Leaf Shares were originally given as a bonus.

One-half of this issue has already been sold.

Indications are that it will be quickly over-subscribed.

We recommend, therefore, that you make immediate application for shares or for a complete prospectus.

BANKERS BOND COMPANY
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BANK MANAGERS AS TRADE BUILDERS

An article by J. F. Macdonald, managing editor of the North Sydney Herald, appearing on page 10, which indicates a rather alarming development in trade relations between Canada and Newfoundland, emphasizes the efforts of the North Sydney Board of Trade to bring about improved conditions—efforts which have been directed by the president of the board, H. W. Jubien, manager of the Royal Bank of Canada. The idea is to arouse the Canadian Government and Canadian manufacturers to the fact that while Canada's trade with Newfoundland is falling off, the volume of business going to the United States is being steadily increased.

This is another instance of the constructive work in the interest of the community—and of the bank—which bank managers can perform. Aggressive managers are more and more realizing that the business of the banks is a reflection of the business of their territory.

OTTAWA APPROVES OF BANK MERGER

Restrictions Open to Objections, but Amalgamation Under the Circumstances, only Possible Course

From Our Political Correspondent

OTTAWA.—As was anticipated in financial circles the Minister of Finance took the only step that was possible in the interests of the shareholders of the Merchants Bank in approving of their merger with the Bank of Montreal. He declared that the proposed amalgamation was "the best available means of dealing with the question." A failure to do so, Mr. Fielding pointed out, "would create a situation in which the shareholders of the Merchants Bank of Canada would almost certainly suffer further loss, and there would probably be created a condition of alarm concerning our banks generally, which would be prejudicial to the public interests." This situation has been taken in these columns from the outset as the only possible solution.

In dealing with the attitude of the Government the Minister states that it was considered best to await the expiry of the time required before taking any action. At the same time the opinion is expressed that from the standpoint of restricting the number of banks in Canada particularly in view of public feeling, the amalgamation was open to objection. The Minister's words on this point are as follows:

> "The combinations of banks that have taken place in recent years have diminished the number of banks operating in Canada, and there is in the public mind an impression that in this way competition is unduly restricted. Sympathizing in some degree with this feeling, the undersigned would, in ordinary circumstances, be unwilling to recommend further restriction by the amalgamation of any two of our larger banks, From this viewpoint, the proposal to unite the Bank of Montreal and the Merchants Bank of Canada is open to objection."

That the question will be debated in the House of Commons in the near future seems certain. The Member for North Toronto, Ex-Mayor Church has a question on the Order Book in relation to any action the Government may contemplate in connection with an investigation into the affair. A suggestion was made by Hon. H. H. Stevens, former Minister of Trade and Commerce, during the Budget debate, that the Banking and Commerce Committee of the House should take the matter up this session with a view to the coming revision of the Bank Act next year. While supporting the Canadian Banking system as "the soundest in the world," Mr. Stevens thought there were "flaws and loopholes in the Act which had been revealed by recent failures or other banking incidents." He expressed the opinion that the management of the Merchants Bank must have made false returns to the Finance Department for several months before the crash came. Otherwise the affair might have been checked up before it reached a serious stage. He urged that the committee call before it the President and other officials of the bank and examine them to find out information as to what had led to the crash of the bank.

LIVING COSTS IN ENGLAND

A Decline of 1.3 per cent in February

The general level of wholesale prices in February for England shows a fall of 1.3 per cent. from the level of January, compared with a fall of 2.3 per cent. from December, 1921, to January, 1922. In each of the three food groups the February average is higher than the January average, an increase of 2.5 per cent. being shown in the general level for food. The five groups of industrial materials show an average price reduction of 3.4 per cent. in February, lower averages being recorded in each group with a notable fall of 6.8 per cent. in the cotton group.

SUCCESSION TAX CONSUMES 23 P. C. OF LARGE ESTATE

Bank Managers Can Advise Insurance To Meet Levies

By DOUGLAS KERR

An address given before the Toronto Bankers' Educational Association on the subject of "The Undisclosed Contingent Liability," as it affects a bank.

A business man is seeking credit. Let us suppose he is interviewing his banker. He has an estate of a little over a million dollars, included in which is a business, of which he is practically the sole owner. It is a limited liability corporation, and is the major portion of the estate. There are bonds owned by this man, mortgages, real estate, some cash, some life insurance, investments good, bad and indifferent. The estate is completely controlled by the present owner, he is also the initiative, credit, and energy of the business.

He has made a will and the will of a borrowing client is of more than passing interest to bankers. There are some clauses of the will dealing specifically with the business he owns. The manner in which he desires it to be controlled. A clause dealing with a personal guarantee to the bank of the corporation, which he has given at the suggestion of his banker. This guarantee is a very usual matter. The trading credit of the corporation being two hundred thousand dollars, the clause in the will, gives his executors power to carry it on after his death. It is very important that this be asked for by a lending banker under certain circumstances. A limited corporation went into liquidation quite recently because the executors were not empowered under the will to renew the notes given to the bank. Then this man is trying to insure for his son, to the greatest extent possible, continuous successful management of the business, and he is bequeathing a certain number of shares in his company to tried executors who have helped him build up his business. Bankers have heard a great deal, and say a great deal in favor of business life insurance; it is sound, but the best insurance for any business is trained and interested men brought up in the business, and capable in an emergency of carrying it on successfully.

23% Total Taxes

He has appointed a trust company as joint executor with his son. A wise proceeding, but he admits he does not know that the details of his will may be unknown to the officers of trust till he is dead. There are succession duties to be paid. Perhaps I might digress here a moment, and point out that the Provincial Treasurer of Ontario has placed five million dollars as the estimate in his budget for 1922 from these taxes. They were revised up in 1920, and as Sir Edmund Walker mentioned in a recent address are more likely to ascend than descend in the future. Now on this particular customer's estate, there will be a ten per cent. tax on the portion of the estate left to the son, and daughter, and their families. On the portion left his sister and nephew there is a tax of seventeen per cent. The customer was astonished, and so was his banker to know that on the shares left his business associates, with which provision he was in thorough accord, there is a tax of thirty-five per cent. There is an added percentage which may amount to eight per cent. on the amounts coming down to the three principal beneficiaries. These last three items are not upon the whole, but make an addition of five per cent. to be added to the ten per cent., giving fifteen per cent. for death duties. Administration must be met, and a legal charge of three per cent. will cover. Then there will be a shrinkage. A forced sale of a mortgage, or real estate would certainly not be under ten per cent., but we will be reasonable, and give five per cent. under this heading. This gives twenty-three per cent., or two hundred and thirty thousand dollars. Now all this is not direct. But there is a definite mortgage upon the estate and the business for one hundred and fifty thousand dollars, payable in eighteen months.

Contingent Liabilities

One of the banks asks most particularly, in its statement from the branch manager to head office regarding request for credit, "What will the effect be upon the business and our account, in the event of death," preceded by the question to be answered by the branch manager—"Do you know of any contingent liability not disclosed by applicant?"

It is not generally realized that any business valued over twenty-five thousand dollars is subject to succession duties, and it is a safe guide without going into all the details of the act which exempts nothing but death bed, and funeral expenses, that a mortgage payable in eighteen months to the extent of ten per cent. accrues upon the business and estate of the owner the day he dies. Death is a possible contingency, this mortgage is an undisclosed contingent liability.

Banker's Position

Let us see the banker's position before anything of an untoward nature has happened to the customer. The bank stands as a creditor in this case for two hundred thousand dollars, with the estate of the guarantor behind the advance. You will readily see why the estate and the business are linked together in introducing the customer. The credit is present owner, and his integrity and energy. All of which are satisfactory elements in granting credit. The bank's position, after the possible contingency of death, is still a credit of two hundred thousand dollars, minus the owner, plus a mortgage of one hundred and fifty thousand dollars upon the assets of the business, and being a short date mortgage its removal will eat up all the available liquid assets, and in all probability require the corporation or estate to seek further credit at a time the banker is unacquainted with all the factors upon which credit is granted. Let it be frankly stated that Financial Advice, and Legal Advice are as oil and water. The banker who can point out to his customer undisclosed contingencies is doing a service to the whole business community. Firms have had to be sold, or liquidated, credits granted at inopportune times, due, not to the death of business men, but because of the inability of executors to finance the undisclosed liability of death duties.

The banks are entitled to bring this matter to the attention of borrowing customers for their own protection, and for information and guidance of their customers.

LOWER FREIGHT RATES WOULD SWELL TAXES

(Continued from page 1)

have prevailed. It can hardly be charged to the coal mine operators that they have benefited during the past six months. In a recent analysis of conditions in Illinois, it was found that 41 Illinois mines in 1920 employed 13,500 men more than required or 50 per cent. of the total employees. The mines were operated 219 days in that year and the 29,100 employees worked an average of only 117 days each. There was a vast amount of voluntary idleness. This idleness can be explained by the fact that these miners earned anywhere from $10 to $12 per day. The majority of these wage earners were unskilled foreigners, not accustomed in their native lands to earning such immense wages. Few of them are of the class who are money savers.

If such miners win their contention, as heretofore stated the burden will not fall upon those prominent in business and in industry, but upon the millions of common citizens who must pay an exorbitant price for the means of keeping their families in comfort.

Gradual Improvement

General reports on business conditions indicate slowly improving sentiment but little indication that there will be anything like general prosperity, at least until there is another crop harvested and in the meantime the adjustment of economic factors must continue. What promised to be an early spring in Ontario has been somewhat checked by the cold snap with its usual effect upon the movement of seasonal goods.

F. N. BURT COMPANY, LIMITED

Report of the Directors to the Shareholders for the Year Ended December 31, 1921.

The Directors present to the Shareholders their Thirteenth Annual Report with the accompanying statement of Assets and Liabilities as of December 31st, 1921:

Balance brought forward from 1920	$984,857.34	
Less: Federal Taxes on 1920 earnings paid in 1921	112,235.38	
	$872,621.96	
Profits for the year	674,754.60	
		$1,547,376.56

The Appropriations were as follows:

Transferred to Realty and Plant Reserve	$216,585.40	
Written off Patents	23,552.56	
Dividends on Preference Stock Nos. 46, 47, 48 and 49, at the rate of 7% per annum	54,306.00	
Dividends on Common Stock Nos. 45, 46, 47, and 48, at the rate of 10% per annum	194,940.00	
Bonus Dividend of 10% on Common Stock	215,310.00	
		704,693.96
Balance carried forward to 1922		$ 842,682.60

It is well known that business conditions throughout the year were particularly trying for manufacturers the world over. Fortunately, this Company was able to secure a good share of the restricted volume of business available, and, as a consequence, the profits are second only to those of the banner years of 1919 and 1920.

The greater part of the earnings for several previous years was retained in the business to provide the additional working capital required during the period of high prices. Most of these funds were released last year and part were used in paying off the balance of the Company's bank indebtedness, and part were used in paying on July 1st the special bonus of 10% on the Common Stock. As indicated by the Balance Sheet, the Company closed the year in a strong financial condition.

During the year shareholders exercised the right given them in the charter to convert their Preference Shares, to the amount of $874,400.00, into Common Shares, making a total of $1,403,100.00 stock converted to date. The authorized and issued Common Stock was increased automatically by a like amount.

The Realty and Plant Reserve Account stands at the sum of $920,299.60, which is 42% of the book values of the Buildings and the Machinery Accounts.

The Profit and Loss Balance is subject to deduction of Federal Taxes on the year's profits, the amount of which cannot be determined accurately at this time.

In the opinion of the Directors the worst of the adjustment period has been passed, and there should be a slow but steady improvement in business. The Company is prepared to take immediate advantage of the opportunities which better trade conditions will bring.

The Directors record their appreciation of the loyalty and efficient work of the officers and employees.

By Order of the Board,
S. J. MOORE,
President.

Statement of Assets and Liabilites, December 31, 1921

ASSETS

Real Estate and Buildings	$ 886,122.46	
Plant, Machinery and Equipment	1,550,121.94	
Investments in Other Companies	78,663.00	
Patents and Goodwill	817,091.15	
		$3,331,998.55
Merchandise	$845,754.62	
Prepaid Expense	50,933.48	
Accounts and Bills Receivable	276,174.47	
Cash	216,861.17	
		1,389,723.74
		$4,721,722.29

LIABILITIES

Capital Stock Issued:			
Preference Stock		$ 572,100.00	
Common Stock		2,153,100.00	
			$2,725,200.00
Dividends Payable January 3rd, 1922:			
Dividend on Preference Stock No. 49	$10,011.75		
Dividend on Common Stock No. 48	53,827.50		
		$63,839.25	
Accounts Payable		94,700.84	
			158,540.09
Mortgages on Properties Purchased			75,000.00
Realty and Plant Reserve		$920,299.60	
Profit and Loss Account (Subject to Federal Taxes on 1921 Earnings)		842,682.60	
			1,762,982.20
			$4,721,722.29

AUDITORS' CERTIFICATE

We have audited the accounts of F. N. Burt Company, Limited, for the year ending 31st December, 1921, and we certify that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs according to the best of our information and the explanations given us and as shown by the books of the Company.

We have received all the information and the explanations we have required.

CLARKSON, GORDON & DILWORTH,
Chartered Accountants.

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TORONTO, MARCH 24, 1922

CANADA CAN BRING HER OWN SETTLERS

IMMIGRATION, as Canada's great need, is emphasized by Sir Philip Gibbs, in an article in the New York Herald. We are glad to have Sir Philip or anyone else advertise the opportunities in Canada for the right kind of settlers. But when he declares that Canadians "want the British Government to organize and finance a great scheme of emigration from the old country," and talks of the men who fought for the Empire being sent out to starve or freeze to death on the prairies, he shows a willingness to discuss a matter about which he has obviously secured—or has been given gratuitously—a great deal of dangerous misinformation.

It is unfortunate, indeed, that globe-trotting jounalists like Sir Philip Gibbs are willing to indulge in sentimental superficialities and unfortunate too that they often get in touch with people who are in a position to supply just such superficialities. There has never been any suggestion that we have heard of that the British government should organize or finance a Canadian immigration program. If such a suggestion was given to Sir Philip then it was either deliberate propaganda or the unfortunately loose observation of someone dangerously ignorant of what is in the country's interests.

Canada's immigration schemes should be under the administration of Canadian officials—and those officials should be directed by a capable business executive with a practical knowledge of the task involved. Any scheme which is launched by another country can only be expected to fill Canada with a mob of undesirables. We want people who will come prepared to win a home for themselves in a land of plenty, but a land where the rewards are to the industrious only. We do not want the people that other countries want to get rid of—people who will not want to work here any more than they did in Europe, and who will therefore become a charge on the country and an element of discontent and disturbance.

PREMIER DRURY'S COMMON SENSE

"MORE ....common sense than I ever listened to in an hour and a half before!"

The foregoing remark was earnestly and forcefully—very forcefully—made by one who would fill the description of an "average citizen" in leaving the meeting at which Premier Drury presented to the business men and interested ratepayers of Toronto the policy of his government in regard to the ventures of the Ontario Hydro Electric Commission. It was a remark which would have received more general endorsation had it been intended for a larger audience than those in the immediate vicinity.

In the stronghold of Hydro propagandists and the centre of public ownership enthusiasm, Premier Drury talked just plain common sense as he has done consistently in discussing Sir Adam Beck's projects. Knowing that he would get nothing but abuse and misrepresentation from Toronto papers, just as he realized that he was taking his political life in his hands when he dared to inquire into the proposed Hydro radials, he logically and forcefully told his audience that common sense business methods must be applied to the conduct of public affairs and that serious danger lay in the direction of unsound economics and unwarranted optimism as exemplified by the Beck schemes.

The information presented by the premier has in the main been discussed in these columns. The meeting was significant in his repetition of his courageous policy from a public platform in Toronto—and particularly significant in the serious attention which was given to that policy. It was received, as it deserved to be, as the sound, well-reasoned, logical program of a man who has not only proven his willingness to serve the public interest but also, and this is even more important, his ability to serve the public interest. And the reception was in marked contrast to what it would have been from a similar audience a few months ago. The appeal to reason has not been without effect.

Premier Drury told his audience how the $10,000,000 estimate for Chippawa had been run to $75,000,000 or so already—"and no one knows what the total cost will be," he added. He told how the Nipigon development was costing about $300,000 a year in interest alone above total income. He told of the optimistic irresponsibility which had marked the radial proposals. And he told how the radials had been investigated and of the comprehensive legislation to meet the situation, making at the same time the candid observation that the government wanted to know why Chippawa costs had run so high—and was determined to find out. His statements about legislation giving unheard of powers to the Hydro Commission in issuing bonds, about the extent to which municipal credit was being involved in Hydro ventures and about the unsound proposals to cover the province with a couple of millions' worth of additional railways, would have been difficult for any audience to accept from a less convincing authority.

The report of the Sutherland Commission and the new Radial legislation have given Ontario business men and taxpayers confidence in Premier Drury. An investigation to bring out the truth about Chippawa and Nipigon promises to go much further in bringing the Beck ventures under sane administration.

LABOR'S POLITICAL POSITION

J. W. DAFOE, Editor of the Manitoba Free Press, expresses regret that such an important section of the community as labor is represented by but one man in the Canadian House of Commons. There are thousands of voters in business and other circles in Canada who sympathize with labor and many of whom previously gave their votes to labor candidates. Mr. Dafoe's investigations lead him to the conclusion that the crushing defeat of labor candidates in all parts of Canada in December last is a penalty of unwise leadership in the last two or three years.

Mr. Dafoe thinks that the extremely radical views some times expressed in all sincerity by workers are no more foolish than the views expressed by the more fortunate upper classes and says "The trouble of the world to-day is its dense economic ignorance." He sees a great change coming in Canadian political life and points out that public men will do as they are told. Therefore, it is up to Canadian citizens to tell them what to do.

A BLESSING OR A CURSE

THE IDEA OF unemployment insurance is one which seems bound to be popular. It appeals naturally to those not fond of work. It appeals to those who think their efforts are responsible for the millionaire class. It appeals to those sentimental social physicians who are always willing to try anything for the good of others which will reflect credit upon themselves—without costing them anything. It appeals to the parlor bolshevists, always willing to try anything once, at some one else's expense. And it appeals to the cheap politicians as a lubricant to the vote machine.

The principle that a man willing to work should have the opportunity to earn a living is a high sounding one. And in highly developed industrial countries there are bound to be periods when there will be a certain amount of unemployment. There would seem to be two ways to provide against this period of depression. One is the adoption of frugal habits which will enable the individual to provide for himself from periods of high earning power against periods of unemployment. Another is unemployment insurance; but such insurance should be on the basis that the worker as well as the employer participates in the premiums.

In a young country like Canada, the need for unemployment insurance is not the same as in an industrial country like England. When British factories are closed it is hard for the workers to find other jobs. But in this country it is rather a matter of finding something else to do. Canada has millions of idle acres and vast natural resources. The man who is out of a job in a factory need not starve. In fact Canada's great need is for men on the land, in the mines and in the lumber camps. A system of unemployment insurance which would encourage idleness on the part of industrial workers would not aid in the development of those fundamental industries which mean so much to this country.

Unemployment insurance to take care of workers in actual need may prove a blessing but unemployment insurance which will encourage idleness in a young country will prove a curse.

EDITORIAL NOTES

SIR HARRY LAUDER, the singing comedian, says he would rather read a man's bank book than read his credentials. Evidently Harry doesn't always joke.

* * * *

IN CONSEQUENCE of the 10 per cent. reduction in wages in New England shoe factories, a number of manufacturers have reduced their selling prices 10 per cent.

* * * *

THE TORONTO GLOBE refers to "courageous capitalists." They would have to be all of that to look to a future in which the Globe would have any say in shaping conditions.

* * * *

WAGES OF THE British workers were cut more than $30,000,000 a week in 1921, says the British Board of Trade. The reduction affected more than 7,000,000 workers, and was almost equal to the increases in pay which had been granted in 1919 and 1920.

* * * *

WASHINGTON gossip indicates that recognition by the United States of Mexico is approaching. The two presidents are discussing the situation personally. This will be good news for many Canadian investors and also for Canadian producers who would do business with Mexico if assured of reasonable safety.

* * * *

WHILE THE WESTERN farmers are arguing that lower freight rates will benefit agriculture and that this will mean prosperity for the manufacturer and the merchant they should soft-pedal on the demand for lower tariffs to enable them to spend their increased profits on the manufactured products of foreign countries.

* * * *

"NOTWITHSTANDING that some of his expertest experts made a fizzle in estimating the cost of a couple of big power development works," says the Port Arthur Chronicle, "the common folks of Ontario have faith in Sir Adam and his electric plans." True, but there are certain limits to the faith of the common folks—and Sir Adam has exceeded those limits.

* * * *

IT WILL BE reassuring to Drury and Taschereau governments to know that in his maiden speech in the House of Commons, Thomas Langton Church—one time mayor of Toronto—declared "Canada has been away behind the times in the matter of a good roads policy, although in the Provinces of Ontario and Quebec rapid strides have been made in dealing with this important matter." Note—He was referring to plain "roads" not electric roads.

* * * *

THE RATHER PAINFUL truth about the lack of appreciation of prophets in their own country must have been brought home to Hon. P. C. Larkin, Canada's new High Commissioner to London, when he was tendered a banquet by the Montreal Board of Trade following his appointment which was not recognized in any formal way by the Board of Trade in Toronto. Mr. Larkin's appointment was perhaps one of the biggest things for Toronto in a commercial way which has occurred in a long time. Failure to recognize this helps to maintain the city's reputation as the biggest village in Canada.

U. S. Taking Canada Trade in Newfoundland

Millions in Orders for Many Kinds of Merchandise Which Formerly Came to This Country Now Going to the States

By J. S. MacDONALD
Managing Editor, North Sydney Record

An editorial note in the FINANCIAL POST of March 3, says:

> "In seven years trade between the United States and Newfoundland increased by $16,000,000, and between Canada and Newfoundland it fell off $8,000,000."

This discloses a sufficiently alarming state of affairs, but does not tell the whole story. The fact is, as the statistics show, that the greatest change in this trade has occurred within the past two or three years. For the twelve months ending January 1920 Canada's exports to Newfoundland amounted to $15,855,684. For the 12 months ending January 1921 they were $17,352,236. For the 12 months ending January 1922 they had dropped to $9,462,865, a decrease of nearly 50 per cent. in one year, or of over 50 per cent. as compared with the year 1919. For the 12 months ending in September, taking a three year period, Canada's total trade with Newfoundland, imports and exports, was $15,615,389 in 1919, $21,417,910 in 1920 and $13,724,548 in 1921.

A decrease of over seven million dollars or about one-third, in one year, in the trade with our next door neighbor is surely something that should have the most serious attention of the government and of Canadian business men. If it were only the decrease, it would be bad enough, but after all there has been a large decrease in all foreign trade. In the case of this trade, however, the Americans have been constantly strengthening their position, while Canadian trade has been falling off.

Benefits to United States

During the past couple of years the North Sydney board of trade has devoted particular attention to this matter, and its president, H. W. Jubien, manager of the Royal Bank of Canada, has gathered most interesting statistics which throw a lot of light on the subject. If not encroaching on your space too much, perhaps I may be permitted to quote a few statistics on particular commodities, from a paper prepared by Mr. Jubien, read before the board and given considerable outside circulation in leaflet form.

Of 212 sub-divisions of classes of commodities in Newfoundland trade the United States led in 108, Canada in 92 and the United Kingdom in 15. Out of 42 principal commodities the United States led in 26 and Canada in 12. Figures for a few of these commodities for 1920 are:

Oats....	Canada	$368,171;	U.S.	$121,817
Peas....	Canada	80,431;	U.S.	30,078
Apples..	Canada	88,655;	U.S.	521
Leather.	Canada	37,693;	U.S.	308,663

Between 1902 and 1920 Canada's exports of leather to Newfoundland decreased from $68,753 to $37,693.

Boots and Shoes: Canada $26,002; U. S. $492,972. What's the matter with Canadian shoe manufacturers?

Soap: Canada, $26,858; U.S. $43,164; United Kingdom $92,892. Again, what's the matter with Canadian soap makers?

Tobacco: Canada $4,157; U.S. $75,614. In 1902 the figures for Canada were $14,961.

Canvas: Much in demand for Newfoundland's extensive fishing and trading fleet: Canada led, the figures for 1920 being: Canada $97,694; U.S. $55,141. In cotton fabrics, however, Canada makes a poor showing, her figures being $43,832 for 1920, as compared with $592,069 for the United States and $142,856 for the United Kingdom. If manufacturers in the United Kingdom can import cotton, manufacture it and send it across the ocean to Newfoundland to the extent of over $140,000 worth, Canada, a stone's throw from Newfoundland, figuratively speaking, should be able to sell more than $43,000 worth.

Flannels: U.K. $92,583; U.S. $22,944; Canada, only $7,665.

Dry Goods: U.S. $550,774; Canada, $302,477; U.K. $136,361.

In lime juice, pickles and baking powder, the United States has a lead of about $60,000 over Canada, and a lead of $40,000 in canned milk. Canada should lead in the latter article.

In hats and caps the United States' trade with Newfoundland more than doubles Canada's, the figures being: U.S. $120,069, Canada $55,278, U.K. $39,393.

In hardware: axes, knives, guns, etc., the U.S. about doubles Canada's trade, the figures being about $400,000 to about $190,000. In rubber boots it is the same story. It should be reversed.

In beef and pork Canada makes a sorry showing, the figures being: beef, salted, in barrels: U.S. $820,412; Canada, $50,750; pork, mess, family and rump, U.S. $1,258,605, Canada only $45,361; hams, U.S. $147,724, Canada $36,527.

This list could be extended to fill another column, giving a similar story about commodities in which Canada should be able to beat out the United States in competition for Newfoundland trade. In fact one of the most disquieting features of the whole situation is that American trade is increasing and Canadian trade decreasing in the very commodities in which Canada should practically monopolize the Newfoundland market.

North Sydney's Effort

Single-handed the North Sydney board of trade has been trying to arouse manufacturers, exporters and governmental authorities to the seriousness of this situation, with but indifferent success until very recently. As a result of a memorandum submitted by the board to the commercial intelligence branch of the department of trade and commerce last month, at the request of the director of the branch, an official of the department is being sent to Newfoundland this month to look into this trade question and report. Our board of trade urged that a resident trade commissioner be appointed in Newfoundland. We hope that will be done soon, but even the sending of this official to make an investigation is encouraging, as showing that at last the trade and commerce department under its present minister is awakening to the importance of this matter.

With encouragement from the government, and with proper tariff arrangements, Canada can secure almost the whole of Newfoundland's trade. And in connection with mention of the tariff we would point out that there is great danger of special reciprocal tariff arrangements being made between the United States and Newfoundland, based upon Newfoundland's need for markets for her fish, and if such arrangements are made they will further militate against Canada's trade with the Ancient Colony. There would seem to be a hint for the Hon. Mr. Fielding here.

The trade is there, it is being captured by Americans, it is worth getting; then why not get after it in earnest?

John McEntee Bowman A Modern Boniface

In 1892 a young Canadian hailing from Toronto came to New York, practically penniless, to seek his fortune. His sole recommendation was a letter of introduction to a leading hotel man, his ambition to become a hotel manager. That lad was John McEntee Bowman, now the world's leading Boniface.

The manager to whom the letter was addressed missed an opportunity for he refused the young Canadian even an audience. The latter went from hotel to hotel but found no job. He was forced to do anything for some time to prevent starvation.

Some few years later his chance came by obtaining employment at the famous old Holland House. Its owner, Mr. Baumann, soon found out that he had a genius in his employ, and made young Bowman his secretary. The latter's advice became such an important element in his employer's success that nobody was surprised when the erstwhile amanuensis was appointed vice-president and managing director of the Biltmore when Mr. Baumann opened that great hotel New Year's Eve, 1913.

The Road to Success

With the death of Mr. Baumann in the summer of 1914, John Bowman succeeded to the presidency of the Biltmore company. The road to success was now open and the visions of the penniless youth of some 20 years before were to be realized. Two years later he bought the lease of the Manhattan, which was the hotel he expected to get employment from when he first arrived in the city. Mr. Bowman does not comment on this occurrence, therefore, it is impossible to find out if the man who refused to see him in the 90's ever realized his error. Two years later Bowman obtained the leases of the Ansonia and the Belmont. He had envisioned the importance of the Grand Central Terminal as the possible greatest center of first-class hotels in the world and planned the Commodore which was opened in January, 1919.

Planning Ahead

Besides the five hotels in New York including the Biltmore, Belmont, Commodore, Ansonia and Murray Hill, Mr. Bowman is also president of the Griswold on the Thames at New London, Conn., the Belleview at Belleair, Florida, the Sevilla at Havana, Cuba, and his new Providence-Biltmore at Providence, R. I., will soon be ready. The Westchester-Biltmore situated between Harrison and Rye, Westchester Co., is nearing completion and he is planning a great hotel for Los Angeles. That he will not stop here goes without saying and his friends believe that at 47 he has plans afoot which will make his past doings in this field look small.

War Work

Herbert Hoover recognized Bowman's ability in his chosen field by appointing him to organize and head the Hotel, Restaurant, Dining Car and Steamship Division of the United States Food Administration during the war. He was also given charge of voluntary regulation of all American public eating places. The choice of leadership, was popular and McE. Bowman was instrumental in persuading restaurants throughout the country to do without wheat in any form for more than three months during the late spring and early summer of 1918. This set in motion an impulse to voluntary sacrifice which movement was responsible for an enormous supply of food sent to the Allies.

Horses and Autos

Mr. Bowman is a good looking man. He has a strong face with a mouth and chin readily expressing the man of action. Somewhat below the average height and stockily built he keeps himself fit. His ruddy complexion spells an outdoor life. His curly black hair is beginning to turn grey, but not from worry for he has a calm personality, never losing his poise despite the tremendous responsibilities he handles.

Horses constitute his chief outdoor interest and he is Master of the Hounds of the Greenwich Riding Association. He also belongs to dozens of clubs including riding, country, yachting, aero, auto and hunting memberships. An ardent automobilist he always drives his own car in and out of the city. Many of his leisure hours are spent at his beautiful country estate "Stonehenge" near Porchester, N. Y.

A Modern Boniface

Essentially a modern hotel man applying himself entirely to the executive end of the business he hires the best workers to carry out his orders. He is the typically successful American, planning big things on a big scale.

The evolution of the hotel has kept pace with the increase in the world's population. The caravanserai of the East was the most ancient species of hotel and rarely accommodated more than a dozen overnight.

Perhaps the earliest famous English hotel was the Tabard Inn of Southwark, London. It was here that Harry Bailey, its host, sat at dinner with 28 guests one evening in April, 1385 and planned with Chaucer the famous Canterbury pilgrimage. Chaucer says of Tabard,

"The chambers and the stables weren wyde,
And we weren esed atte best."

London's population at that time was 90,000 and this, its leading hotel, was filled when 30 persons, "at night was come into that hostelrye."

Over 500 years have passed since Harry Bailey enjoyed a full house. Mr. Bowman's New York hotels today accommodate over 600,000 registered guests annually.

In the course of a year these Bowman New York hotels have approximately 3,500,000 non-registered visitors, diners, etc.

Mr. Bowman points out that if the loaves of bread baked for these hotels could be built in a tower with walls two feet thick they would produce a structure 20 feet square and 25 feet taller than the Woolworth building. Besides 571,644 loaves there are 12,870,000 rolls consumed.

Approximately 37,000 waiters serve 5,321,998 meals annually in these hotels whose employees eat 3,583,236 meals.

A lake ten feet deep, a third of a mile wide and a mile long, could be made out of the 554,394,000 gallons of water utilized annually. Housewives ought to consider their jobs light when they learn that the Bowman New York hotels wash 60,521,000 dishes annually.

There are over 6,000 telephones used in these hotels and over 100 employees engaged in their operation with 20,000,000 calls to their credit.

Banking on a Big Scale

Discussing the banking end of his New York hotels, Mr. Bowman says that a banking business greater than is ordinarily done by the leading institution of a city of 100,000 inhabitants is consummated annually.

It requires a force of 85 cashiers to handle the $15,000,000 in cash and $35,000,000 in checks every year besides the wages and salaries of the staffs which total $5,000,000.

And so throughout his business Mr. Bowman's viewpoint must include awe-inspiring figures and estimates. Nothing daunts the master of it all, however, who is as optimistic as ever, saying: "The business outlook for 1922 is better than that of the opening of any year since the war. Everybody has to get together and work together in the interests of all."

RUSSIAN TREASURE

Soviet to Dispose of Stores of Gold and Jewels

Russian Soviet's announced intention to secure the surrender by the churches of their treasures of gold and jewels, excepting sacred objects actually used in the celebration of the mysteries of the religion, calls attention to the fact that as a hoarder of precious metals and stones Russia is almost as noteworthy as India. It is but added evidence of the fact that Russia is an Oriental nation—a fact of the deepest significance in any consideration of the future of Europe. As Walter Rathenau, German financier, declares, it is of vital importance whether the dividing line between East and West shall remain at the Vistula where it has been for centuries or whether, due to the inability of Germany to stem the tide of reparation difficulties and resultant attractiveness of be moved westward to the Rhine.

Odd Amount Bonds

Some of the odd amount bonds offered in our current ODD AMOUNT LIST are of Canada's most representative cities, towns, Provinces, etc.

Among these are bonds of the Provinces of Alberta, British Columbia, Ontario, Quebec, Saskatchewan; Cities of Montreal, Toronto, Hamilton, Chatham, Guelph, Lachine, Sherbrooke, Three Rivers, Winnipeg, etc.

Copies of new Odd Amount List gladly supplied on request.

A. E. AMES & CO.

Investment Securities

UNION BANK BLDG. . . . TORONTO
TRANSPORTATION BLDG. MONTREAL
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HARRIS TRUST BLDG. . . CHICAGO
BELMONT HOUSE . . VICTORIA, B.C.

Established 1889

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

INCOME TAX

J. C., Smiths Falls.—Is the income from the Canadian National Railways debenture stock subject to the normal tax of 4 per cent. under the Canadian income tax act?

Under the Income Tax regulations the Canadian National Railway bonds would not be exempt from the application of the normal tax of 4%. The only securities, so far as we are aware, to which the general exemption applies under the Dominion Income Tax are the Government Victory and War Bonds.

BRITISH EMPIRE STEEL

M. Madoc.—Could you give me any information about the British Empire Steel Corporation? Are they liable to ever pay dividends on their number two preferred stock?

We do not believe anyone is in a position to give you definite information as to when a dividend will be declared on this security. As you are probably aware the steel business is not in a prosperous condition and the demand for the company's bituminous coal has been cut down by the lessened activity among manufacturers. The first preferred has been paying a dividend ever since it was issued last year. So far as the year 1922 is concerned we would be surprised if the second preferred declared a dividend.

WESTERN HOMES

A. D., Winnipeg.—I am thinking of investing in Western Homes, Ltd., a mortgage company with head office in Winnipeg. I would be grateful for your opinions as to the stability and future of this company. I can ill afford to risk any loss.

Western Homes, Ltd., is regarded as a sound mortgage company placing loans on improved farm property in good farming districts and on city property like Winnipeg. Loans, have, we understand, been made on a conservative basis. It is stated authoritatively that not a dollar has been lost in the seven years which the company has been operating.

An investment in a concern of this kind would seem to be reasonably safe with a 7 per cent dividend reasonably assured. Of course the price at which the stock is bought is important.

RSC
INVESTMENT-SERVICE

The Silver Lining

Money is plentiful. Interest rates are declining. There has been decided improvement in the investment market.

Government and municipal bonds are selling at less attractive prices than they were a few months ago. Consequently there is an awakening interest in, and keen demand for, sound Corporation Bonds, which may still be purchased to yield 6½% to 8% with safety.

Write for our latest Price List.

Royal Securities CORPORATION LIMITED
MONTREAL
Toronto Halifax St. John Winnipeg
Vancouver New York London, Eng

DULUTH WINNIPEG AND PACIFIC

G. M., Toronto—Would like your opinion of the bonds of the Duluth Winnipeg and Pacific Railway.

The bonds of the Duluth, Winnipeg and Pacific Railway at a price around 68 to 70 are attractive as an investment with speculative possibilities, The Duluth, Winnipeg and Pacific is a Canadian Northern proposition and is now in the hands of the Government. However, the bonds do not take the status of government bonds. The government is not obliged to pay interest any more than would a private owner and there is no guarantee in any event that the government will continue to control or operate this property. However, where these securities are superior to some other bonds of Canadian Northern projects lies in the fact that the system is one of the few sections of the Canadian Northern which is showing a profit.

TORONTO FINANCE

P. W. H., Toronto.—I have recently been approached to place some of my money in shares of the Toronto Finance Corporation, and would appreciate any information you could let me have regarding this security.

The Toronto Finance Corporation is a second mortgage company which under capable management has been operating successfully. Profits, we understand, have been very satisfactory. It is generally recognized that there is a field for capably managed second mortgage companies. However, you will understand that in such a company a great deal depends upon keeping operating expenses reasonably low, securing capital at a reasonable rate and making loans on well chosen risks. It is not difficult to understand that any slump in real estate values would materially affect the position of a company dealing in second mortgages if those mortgages were not very carefully selected.

The investor should also consider what he is buying and what he is paying for his purchase. In this case the preferred stock dividend has been considerably more than earned so far, but it would be doubtful policy to distribute anything on the common stock until there is a substantial reserve fund.

HAMILTON FINANCE

T. H., Edmonton—Will you kindly give me your opinion as to the safety of investing in Hamilton Finance Corporation? Would also like to have your opinion as to the integrity of the management. I have been informed that one or two of the finance companies recently organized by them have shown a net earning of 16 per cent. to the shareholder.

The Hamilton Finance Corporation, like several other propositions which have been floated by the Banking Service Corporation, is a second mortgage Company of a class of loaning institutions which, under proper management, have recently been operating successfully.

The continued success of these companies is largely dependent upon management in relation to the selection of risks upon which loans are made. Should there be a reaction in the real estate market, which is not an impossibility, profits might quickly disappear if loans have been made on a basis not justified by conservative judgment. The question of management and the cost of raising capital in each individual proposition should also be taken into consideration. You do not state the price at which securities have been offered to you—the price is just as important in buying stocks or bonds at it is in buying anything else.

R. T. SCOTT COMPANY

A. M., Halifax.—Would be glad to have you give us some information regarding the R. T. Scott Company.

The R. T. Scott Company has been organized for the sale of securities to small investors, evidently working on the assumption that many people with comparatively small savings and small investments in Victory bonds can be induced to come in on a big business proposition where, under what is called a new school of finance, the small investor gets all the benefits which in the past have gone to the big investor only. Securities of the Mortgage Discount and Finance Company were successfully floated. This is a second mortgage proposition which would seem to have a field under the existing conditions and operations so far have been regarded as entirely successful. However, the cost of raising capital by direct salesmanship methods from small investors is expensive and it remains to be seen what effect a slump, which is not an impossibility in real estate values, would have. A great deal, of course, depends upon the management and the selection of mortgages and in this respect the Mortgage Discount and Finance has, we believe, been fortunate.

The Scott Company is now offering bonds in the Detroit-Windsor Bridge, on the basis of units of bonds and common stock. The investor must analyse carefully just what he is paying for his security. This apart altogether from a study of the possibilities for successful operation. Bonds are quoted at 87 which for a bond bearing 5 per cent. of construction and 7 per cent. eventually shows a very fair yield. BUT, in a unit of three bonds at 87 and one share of common stock, investors are asked to pay the full par value of $100 for the common stock, the return on which is, of course, very problematical particularly when the expenses of flotation are taken out of this money. What the investor really gets is three bonds at about 120 and a share of common stock which will eventually share in profits available above the bond interest.

INDUSTRIAL SELECTIONS

C. M., Vancouver.—I hold the following: $10,000 of 1934 Victories, purchased in 1919; 75 shares C.P.R. common costing me $123½ each; 400 Lake Shore at $160; 100 Hollinger at $858; 25 Canadian General Electric at $94; and have a bank balance of $5,000, of which I am considering investing about $3,000 in stocks; a small portion in low-priced gold mining companies and balance in some fairly safe stock yielding about 7 to 8 per cent. What stocks would you recommend, and would it be advisable to dispose of any of the above?

Your investments are evidently well placed and we would not advise any change. With reference to your further investments would consider that in your circumstances you are in a position to consider some of the better industrials. C.P.R. at the present level is still considered a good proposition. So far as the other stocks are concerned we would not care to individualize but believe that you should consider basic and well-managed industries which have been well organized and which promise in the long run reasonably substantial profits. The milling stocks, the steel stocks and the textile stocks should be considered in this regard. Indications are that from their present levels they should improve with a return of better industrial conditions.

With regard to the gold stocks those which might be classified as "cheap" are very speculative and we would not care to pick favorites.

Mexico Being Strangled By Excessive Taxation

Oil Companies Have Particularly Suffered and Are Now Planning to Quit the Country

By AGNES C. LAUT

Mexico furnishes one of the best examples in the world today of taxation strangling national development.

Mexico has been furnishing the second largest output of oil in the world. Owing to climate requiring peculiarly good housing conditions, to the jungle requiring great outlay on roads and pipe lines, and the great depth to which oil drills must go to get the gushers—in some cases, over 3,000 feet, in all cases over 2,000 feet—Mexico is an exceedingly expensive oil field to develop.

Also the area of Mexican fields now developed is not 15 per cent. of what remains to be developed; but the point is—the 15 per cent. now developed are within a year of their exhaustion. Though the gushers come without pumping like great artesian waterspouts in yields of 90,000 to 250,000 barrels a day, though each developed field has yielded from 100 million to 250 million barrels of oil, these yields are not maintained. In ten years, they exhaust utterly. In two or three small areas, where the competing companies literally stuck their drill points down into the same subterranean pools resting on salt water and pumped furiously against one another to get "the hog share" before exhaustion, the pool exhausted long before ten years. Two or three pools pumped out in a few months.

Foreign Capital Blackmailed

When Mexico found she had seas of liquid gold beneath her torrid soils, she was in the midst of her fifteen years revolutionary era. Every revolutionary leader, as he surged up on top, cast eyes of envy for revenue at the foreign companies pumping oil. Revolutionary leaders levied blackmail to the extent of millions a year on pain of the foreigners having their men shot, or their tanks burned. Each new government issued new edicts in the name of "nationalization" increasing taxes on output. As all the companies except two—one English, one American—had invested more in their development than they had taken out, they submitted to the extortion, whether revolutionary blackmail, or seemingly legalized edicts; but they would not under these conditions go on and develop what is known as "wild-cat territory," which promised just as great returns.

What has been the result?

Obregon the Man

Though the output is still great and the companies are still pumping proven territories furiously, they will not go on under these terms and develop new territory. As soon as the areas now being pumped are exhausted—and the end is in sight—three-quarters of Mexico's revenue, which is drawn from oil will be nonexistent. This is what is behind the furious propaganda for recognition of Obregon; for capital will not go into fresh development under present terms; and without the oil revenues, the Mexican Government is gone. Mexico seems to think it can woo capital to come in with one hand, and confiscate it by taxation with the other hand.

The result is an impasse that threatens one of the greatest oil regions in the world with ruin. After the ruin, Mexico will probably come to her senses, and the oil companies, who hold on to areas already paid for, will build up on a new basis to a new prosperity. The example is a lesson to be conned by those, who think that capital is a soup basin to be ladled out with a soup spoon in taxes. It is also a lesson for Canada in oil loss; and no man is more cognizant of the fact than Mr. Stewart, the new Minister of the Interior. When Mr. Stewart was Premier of Alberta, he intended personally to visit the oil areas of the Middle West, Texas and Mexico. No better time could be chosen by Mr. Stewart to pay that visit than right now, for lots of companies pulling out of Mexico might be induced to come to Canada, if Canada's laws afford a half chance.

Capital required to put the railroads of the United States in first-class condition is estimated to amount to from $4,000,000,000 to $6,000,000,000. Approximately one-half of this amount is needed for additional tracks and equipment to accommodate increased traffic.

What Canada Wants Mostly is Men of Honor and Ability to Direct Her Industrial Life

Editor, THE FINANCIAL POST.

Sir: In your last several issues you have made clear to the minds of shareholders facts that are somewhat startling and if this condition of things is allowed to continue uninterrupted and unheeded, then what may we expect Canada's future to be like? Nothing is more debasing in its effects than lack of confidence. This condition is increasing and must be stopped. What is really affecting the price of Canadian securities to-day is not lack of funds but lack of confidence and until confidence is restored and investigations into shareholders' interests are made no success can be obtained. What Canada needs especially and immediately is men of honor and ability together with a strong commission of honest men who will look carefully and well into the government and management of our industrial life. I hope you will continue to make known to the public from time to time through your valuable columns the great danger there is in investing money in securities other than those which are known to be above board, and are under able and honorable management. The great danger which confronts Canada at the present day is greater than we think, lack of confidence in this country is going to affect every effort that is being put forth toward building up of Canada as a nation.

Montreal, March 15. 1922. SHAREHOLDER.

LETTERS TO EDITOR

The Editor, Financial Post,
Toronto, Ontario.

Sir,—Your report of Sir Clifford Sifton's recent speech on immigration in your issue of March 10th is the first full text of this important pronouncement that I have seen.

We need not quarrel about the exact number of people we want to help to develop our farm lands, whether it is to be 500,000 or more, although it is well to have an objective. The real objective is all the good farm workers we can get.

There is just one point in Sir Clifford's remarks that I differ from. He says we need to take the land speculator by the throat. No, sir. The holder of vacant farm land needs someone to take him by the hand, and lead him to get occupants for his promised land. He knows now that it is promised land for him no longer until he finds a farmer to take it over from him at a price that will ensure that the occupant will make a living and pay the taxes, and devote his surplus to paying the present holder a reasonable price for the land.

If means can be found to lead both buyers and sellers by the hand we shall reach the promised land for them and for all the rest of our citizens, east and west.

G. R. MARNOCH.

Lethbridge, March 15, 1922.

The writer is of the opinion that Sir Clifford Sifton and Mr. Marnoch are not so far apart as this letter might indicate. Sir Clifford distinctly stated in his address before the Toronto Board of Trade that he was opposed to anything like confiscation. He believes that the land speculator is entitled to a fair return for his investment. His idea was, however, to prevent the speculator from profiting in another boom such as that in the past—a boom which would have the effect of running prices up so rapidly as to discourage further immigration. His suggestion was that the landholders should set a fair valuation on their property and that this price should be reasonably increased to give the holder a fair profit, and not rapidly inflate values should there be an inrush of settlers. The speculator certainly has his place in the scheme of things, but it is questionable if profiteering is justified.—Editor.

Consistency and the Made-in-Canada Idea

The incident described in the following letter indicates that people who deliver sermons on Made-in-Canada do not always practise what they preach.

WHY MADE IN JAPAN?

Editor, Hardware and Metal,
Toronto.

I was greatly interested in an article in a recent issue of Hardware and Metal regarding the U. F. O. Mr. McGregor, of Oakville, in his letter referred to the inconsistency of the farmers in urging that we keep Canadian factories busy, but at the same time a branch of one of their organizations have bought binder twine from Ireland. From my observations inconsistency is not confined entirely to the farmers.

I have been attending the hardware convention of the Ontario Retail Hardware Association for many years. At the big banquet which has been put on at these affairs, it has been customary for some of the manufacturers to place souvenirs of various kinds on the banquet table for the visiting hardware men. As a rule these are souvenirs turned out in the plants of the various manufacturers. At the banquet held in Hamilton last month there were several of these souvenirs. One an ash tray produced at the plant of an Eastern Ontario manufacturer. Another was a menu on a steel hinge nicely finished and supplied by a Hamilton manufacturer. The third was a novelty in the form of a miniature fowl including ducks, roosters, chickens, etc., handsomely painted and decorated and mounted on a small bellows which when pressed together made a squeaky noise and attracted attention. This novelty which at first created considerable amusement was supplied with the compliments of a Western Ontario manufacturer who devotes a great deal of literature etc., to boosting "Made-in-Canada" goods. The novelties created considerable amusement and humorous comments until a number of those present in examining the souvenir looked at the bottom side of it and noticed the following in large letters, "Made in Japan."

What is the answer?

Yours very truly,
Retail Hardware Merchant.

Well Secured Bonds for Investment

Yielding 6% to 8%

We buy, in whole or in part, issues of securities for the financing of corporations, municipalities and provinces.

Write for Investment List

Greenshields & Co.
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Toronto, 14 King Street East
Ottawa, Central Chambers

PERSONALS

FRED G. O'GRADY has been appointed manager of the J. J. Gibbons Limited, advertising agents of Montreal. Mr. O'Grady was five years general manager of the Atlantic Sugar Refineries and has a practical knowledge of merchandising conditions in Canada.

HENRY CLEWS, the dean of Wall Street, still comes downtown daily and attends to business at the old spot on Broad Street. Mr. Clews is really one of Wall Street's picturesque figures, and during his long association with the financial district, which embraces approximately 60 years, he has met all the financial people worth while and has taken an active part in the work of the Street since before Civil War days.

COLONEL J. S. DENNIS, Chief Commander of the Dept. of Colonization, and Development, Canadian Pacific Railway, has for fifty years been closely in touch with the development of Western Canada. He arrived in Winnipeg fifty years ago next month, finding there a village of about 1,000 inhabitants, with nothing back of it in the way of colonization and development until one reached the Pacific Coast. Since that date in the service of the Dominion Government in exploring that vast western country, then in the land department of the Hudson's Bay Company, then as Deputy Minister of Public Works of the old Territorial Government and for the twenty years in the service of the Canadian Pacific his activities have been all more or less intimately connected with colonization.

Polish parliament has adopted a law fixing the working day in retail shops at ten hours and forbidding the closing of such shops for a couple of hours, known as the dinner pause, in the middle of the day.

5.55% for 20 Years

An excellent opportunity of obtaining a 5½% twenty-year municipal bond at a discount is to be found in our new offering of

Toronto
Roman Catholic Separate School Board
5½% Bonds due February 7th, 1942
Price: 99.40 and interest, yielding 5.55%

Assets consisting of Toronto buildings and real estate are valued at nearly double the total funded debt of the Toronto Separate School Board.

Write for descriptive circular.

Wood, Gundy & Co.
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Income Tax

Our March "Investment Guide" which contains an attractive list of bonds, also explains in a very simplified manner the Dominion of Canada Income Tax. As your Income Tax Return has to be filed before April 30th, it is essential to have this information on hand. If you have not received a copy of this issue, we will be pleased to mail you one on request.

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City of Edmonton
Debentures
$870,000

Sealed tenders endorsed "Tender for City of Edmonton debentures," addressed to the undersigned will be received on or before 12 o'clock noon, on Monday the 10th day of April, 1922, for the purchase of an issue of debentures, issued for various purposes under an amendment of the Edmonton city charter, 1922, which provides for consolidated issue of debentures.

Tenders are now invited upon $870,000 thirty-year debentures bearing interest at the rate of 6 per cent., payable in Canada only. These debentures are an obligation of the city at large, are issued in coupon form with provision for registration of principal and are of the denomination of $1,000 and $500 as desired. Interest payable half yearly on the first day of May, and November first.

Every tender must be accompanied by a certified cheque, payable to the City of Edmonton for 1 per cent. of the total amount of the tender as evidence of good faith and all tenders must contain complete information and comply with the conditions set out in the form of tender. The highest or any tender not necessarily accepted.

D. N. DUGGAN,
Mayor
City Hall, Edmonton, Alberta.

C. J. YORATH,
City Commissioner

1922 Tax Rates

Brantford, Ont.	39	mills
Stratford, Ont.	33½	mills
Preston, Ont.	.39	mills
Kitchener, Ont.	30½	mills
Waterloo, Ont.	27	mills
Orillia, Ont.	46	mills
New Toronto, Ont.	30	mills
Sault Ste. Marie, Ont.	.40	mills
Ottawa, Ont.	28.10	mills
Ingersoll, Ont.	41	mills

BONDS ON 'CHANGE

Dealings have been specially allowed by the London Stock Exchange Committee in Benson & Hedges (Canada,) Limited, 8½ per cent. guaranteed first mortgage debenture stock.

NEWS OF THE BOND MARKET

HOW BONDS WILL BE ISSUED BY THE RADIAL RAILWAYS

Financial Provisions of New Ontario Legislation Briefly Told

Something new in the way of bonds with municipal backing will come on the market if any groups of Ontario municipalities undertake the construction of radial railways under the provisions of the new legislation being put through the legislature by the Drury government.

The financial clauses are very comprehensive. Groups of municipalities may combine to construct electric railways and for that purpose may form a municipal electric railway association. After the cost of the work has been apportioned among the municipalities in the association they will each deposit their own debentures to that amount with a trust corporation.

The bonds will run for 44 years and pay 4½ per cent. interest and bonds of the association will be issued against the debentures so deposited running for the same term and bearing the same rate of interest. The bonds will be secured by a first mortgage on the railway and all its assets and also upon the debentures deposited as collateral. Bonds are all to be of the sinking fund type.

If surpluses accrue from the operation of the railways they may be diverted to new construction work or to the establishment of a reserve fund, and if deficits are incurred the municipalities must make up the deficiency according to proportions fixed by the agreements of the association.

Sinking funds are to be invested in bonds of the Dominion or the province of Ontario or in bonds of the radial association. Any debentures issued under the authority of the Act shall not be included in ascertaining the limit of the borrowing powers of the corporation.

NEW AGREEMENT FOR GORDON, IRONSIDES

Half of Net Profits up to $100,000, Will go to Trustees for Bondholders

Approval has been given by the bondholders of Gordon, Ironsides & Fares, to an arrangement whereby the lessor of the company's plants—Packers, Limited—will continue operations during 1922. It is stipulated in the new agreement that one half the profits up to $100,000, if earned this year, shall be paid to the trustees for the bond holders as rental for the plant for the year, the remainder to accrue to Packers. Limited, to reimburse them for past losses sustained.

Gordon, Ironsides & Fares is a large western packing company that sustained heavy losses in 1917-1918. At that time a new company, Packers, Limited, was formed, for which a large part of the capital was supplied by the Harris Abattoir Company of Toronto. The plant was leased to Packers, Limited, for five years at an annual rental of $76,000, sufficient to meet bond interest, etc.

The ending of the war, the scarcity of hogs and other factors reacted against Packers, Limited, from the start and the rental payments could not be met with the result that bond interest was defaulted in January 1921. For the calendar year 1921 there was a loss of $140,000 in operation, which of course made it impossible for anything to be paid on account of the lease. The past few months have seen some improvement, however, and it is hoped that the year 1922 will show a balance on the right side of the ledger.

Regina May Borrow Again; Debt is Now $10,250,000

From Our Own Correspondent

REGINA.—Regina's net assessment on land, improvements, business and income taxes for the current year is $43,254,420; this amount is $276,860 less than in 1921.

The bonded debt of the city, after deducting sinking funds, is about ten and a quarter millions of dollars. The borrowing power is something like two millions less than this—being 20 per cent of the total assessment. The claim is made, however, that the utilities of water, light and railway owned by the city, more than offset this excess borrowing.

New finance is beng contemplated, and a considerable flotation may be necessary this year—always providing the flotation is concurred in by the Local Government Board.

DIVIDEND ON BONDS

The receivers of the North Saskatchewan Land Company, Limited, announce the payment of a second instalment of 10 per cent. (making 30 per cent. to date) of the par value of the 16 per cent. bonds.

Succession Duties Chief Source Ontario's Income

Succession duties are now the chief source of revenue in Ontario. From this source $4,727,657 of revenue was derived in the fiscal year ended Oct. 31 last. The next largest source of revenue were motor vehicles $2,945,360; lands and forest $2,885,829 (in addition to $1,149,919 counted as capital income); provincial secretary's department $2,530,952 and corporations tax $3,099,469.

In his budget speech Hon. Peter Smith pointed out that the new census would bring an increase in the Federal subsidy.

TOOKE BROS.' ISSUE OF $350,000 BONDS

To Provide Working Capital—Prospects Brighter—Underwritten by Hanson Bros.

From Our Own Correspondent

MONTREAL.—The shareholders of Tooke Bros. at a special meeting approved of an issue of $350,000 in 7 per cent. 20-year mortgage sinking fund gold bonds, in order to improve the working capital position of the company in view of the better prospects now existing for business for the company. These bonds have been underwritten by Hanson Bros., and will be offered to the public after the first of April at 97½ and accrued interest, to yield about 7¼ per cent. The bonds will be dated April 1, 1922 and are due on April 1, 1942, in denominations of $100, $500, and $1,000.

NEW FINANCING FOR WAYAGAMACK

New Issue of $1,500,000 of Bonds to be Made—Business on Upgrade

From Our Own Correspondent

MONTREAL.—Arrangements are under way, it is understood, for new financing for the Wayagamack Pulp and Paper Co., and it is probable that public announcement of the details of this will be made in a week or two. The company distributed $3,500,000 worth of an authorized issue of $5,000,000 of 6 per cent. bonds and it is presumed the balance will be offered shortly. Indeed, it has been a surprise to a good many in the industry how this Company has succeeded so well in installing two new paper machines and increasing their pulp capacity, and boilers, and in making other extensions, and financing this up to the present out of their own resources as over $1,000,000, was spent last year in extensions. The prospects for the company's products, sulphate pulp and wrapping paper, are steadily improving, and export markets are opening up again, one of the most promising of these being Japan. The probability of new financing being undertaken had a marked effect this week not only on the common stock of the company but on the bonds as well, the price of the latter advancing several points.

A $1.000.000 ISSUE OF SOISSONS BONDS

MONTREAL.—An issue of gold bonds of the City of Soissons, France, amounting to $1.000.000, is being offered in Canada by the Municipal Debenture Corporation at a price of 95.30 which gives a yield of 6½ per cent. These bonds mature in 15 years and bear interest at 6 per cent. They form part of an issue of $6,000,000, the whole of which was negotiated by the Municipal Debenture Corporation with the city, and $5,000,000 of which were offered in New York on Tuesday and subscribed during the day. The proceeds of the sale will be used for reconstructing the city which was devastated during the war.

BUY TRENTON BONDS

The town of Trenton bond issue amounting to $22,500 bearing interest at 6 per cent., and repayable in twenty annual instalments, was purchased by the Municipal Bankers Corp., at 101.50.

$2,000,000 ISSUE BY MUNICIPAL BANKERS

Mortgages on Improved Property are Security For Bonds Offered

Offering is being made of $2,000,000 of twenty year 6½ per cent. mortgage bonds of the Municipal Bankers' Corporation. The bonds are being offered at 103 to yield 6¼ per cent.

Municipal Bankers' bonds are issued against mortgages on improved property and government and municipal bonds. The collateral securities are deposited with a trust company as trustee and the bonds are issued against the security so deposited. Denominations as low as $100 have been provided.

Provision is made for a sinking fund as an additional feature of strength. In a letter accompanying the offering Sir William Hearst, chairman of the executive committee states that the mortgages to be deposited as security for the bonds must be accompanied by a certificate of appraisal by a competent valuator and the approval of an investment committee chosen from the directors.

In the United States bonds of this type have been widely sold and have proven very successful as investments. They are not altogether new to Canada for several of the larger banks have issued bonds against general mortgages on groups of branch buildings.

Newfoundland Borrows $6,000,000 In New York

The first loan of Newfoundland in many months was negotiated in the past week with the Dominion Securities Corp., Dillon, Read & Co. and Lee, Higginson & Co. A total of $6,000,000 was borrowed by a 5½ per cent. bond issue maturing in twenty years. The price received was 98.763, a 5.61 cost basis.

A bid of 99.19 by A. Jarvis & Co., W. R. Compton & Co., W. A. Harriman, Cassatt & Co., and the Minnesota Trust Co., was withdrawn after the government delayed three days in deciding on the sale. Tenders were:

Dominion Securities Corp., Dillon, Read & Co., Lee, Higginson & Co.	98.763
Miller & Co.	98.75
Wood, Gundy & Co., Guaranty Co., Blythe, Witter & Co., Continental & Commercial Trust & Savings Bank, Ames, Emerich & Co.	98.338

Burnaby Sells Bonds At Highest in Five Years

From Our Own Correspondent

VANCOUVER.—The district of Burnaby has sold $30,000 of 5½ per cent 15 year school bonds to Pemberton & Son., at 95.127. This is the highest price the municipality has obtained in five years and is above the upset price mentioned in the by-law. Tenderers for the issue were:

Pemberton & Son	95.127
British Amer. Bond Corp.	93.91
New Westminster Trust Co.	93.35
Royal Financial Corp.	93.11
Canadian Financiers' Trust Co.	93.09

Mortgage Bonds Offered On Two Ottawa Buildings

Royal Securities Corporation is offering $750,000 first mortgage 6½ per cent. 15 year bonds of the Booth Buildings. The bonds are secured by the personal covenant of C. Jackson Booth and a first mortgage on the Booth Building and the Jackson Building in Ottawa, having an estimated value of $1,800,000. A sinking fund is provided.

STOP RELIEF WORK

From Our Own Correspondent

REGINA.—Relief to married persons extended by the city since November 15, 1921, will be discontinued on March 31. The single men were struck from the relief lists on March 15. About 300 married persons and dependents are affected by the decision which was made by a committee appointed by the city council.

BOND MOVEMENTS OF THE WEEK

BONDS—	Int. Rate.	Due. Year.	Yield.	Range 1921. High	Range 1921. Low.	Range 1922 High.	Range 1922 Low.	Latest Price Week Ending Mar. 21 Ask.	Latest Price Week Ending Mar. 21 Bid.	Latest Price Week Ending Mar. 21 High.	Latest Price Week Ending Mar. 21 Low.
Asbestos	5	1942	6.80	80	73	100	76	—	81	80	—
Ames-Holden	6	1941	7.78	82	68½	82	82	90	—	82	—
Bell Telephone	5	1925	5.98	83½	91¼	96½	94	—	96¼	96½	96½
Can. Car	6	1939	6.36	98	97½	97¾	95	—	95	96	—
Can. Cement	6	1929	6.31	95	89	98⅝	94	98½	97½	98	—
Can. Cottons	5	1940	6.36	84	77	85	82	—	85	85	—
Cons. Rubber	6	1946	6.45	90	84	94¾	88	95	—	94½	—
Dom. Coal	5	1940	5.41	92⅝	86	95	92	—	91	95	95
Dom. Iron	5	1929	7.32	83	75	87¼	82½	87	85	87	86
Lyall Cons.	6	1932	9.45	86	63	79	75	75	—	75	—
Montreal Sep. '23	6	1923	6.00	100	97¾	102	97½	—	99½	100	—
Montreal Power	4½	1932	5.52	88	88	92	88½	—	92¼	91¾	—
Penmans	5	1926	7.40	89½	85	91	90	92½	91	90	—
Quebec Rly	5	1939	8.55	68	59	66½	63½	—	65	66¼	65½
Sher. Williams	6	1941	6.12	98	96	98½	96	—	98½	98½	—
Span. River	6	1931	6.68	87	86¼	95	95	95	—	95	—
Steel of Can.	6	1940	6.16	98¼	88½	99	97	99	98	98	—
Wayagamack	6	1951	8.02	78¼	69½	79	71¾	78	77½	77½	77
War Loan (1925)	5	1925	5.59	96.00	92.00	98.50	96.10	90.10	97.90	98.00	97.35
Do., (1931)	5	1931	5.25	96.60	90.05	98.80	96.25	98.10	98.00	98.05	97.75
Do., (1937)	5	1937	4.93	102.50	94.50	101.50	99.50	101.00	100.25	100.85	100.00
Victory (1922)	5½	1922	5.55	99.55	96.62	99.95	99.10	99.95	99.90	99.95	99.60
Do., (1923)	5½	1923	5.68	99.50	95.50	99.95	98.75	99.90	99.80	99.85	99.50
Do., (1924)	5½	1924	5.61	98.50	94.25	99.85	98.00	99.80	99.70	99.75	99.25
Do., (1927)	5½	1927	5.30	101.00	95.25	102.70	99.75	.....	101.00	101.20	100.75
Do., (1933)	5½	1933	5.17	101.80	95.12	103.10	101.25	102.85	102.80	102.85	102.40
D., (1934)	5½	1934	5.43	99.43	92.25	100.15	98.80	100.15	100.10	100.15	99.80
Do., (1937)	5½	1937	5.04	104.00	96.50	105.15	103.30	105.10	105.00	105.00	104.65

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Such an investment opportunity will be offered by us shortly redeemable and convertible sinking fund first mortgage gold bonds. The debentures are first lien on land, mills, machineries, patents of a large corporation being organized in Montreal, the direction of which is composed of men of outstanding prominence in the various spheres of business and finance.

The debentures will carry a substantial bonus in common stock.

Write for particulars.

Credit Canada Limitee
145 St. James St. - Montreal

Brantford Computing Scale Bond Issue Yields 8%

Definite offering is made by Housser, Wood & Co., of $200,000 of 8% 20 year bonds of Brantford Computing Scales. The issue was described in FINANCIAL POST at the time of the preliminary offering a few weeks ago.

Brantford Computing Scales has recently completed what is said to be the largest and finest plant in the British Empire for the manufacture of computing scales, meat slicers, etc. The company's products have a wide market, covering England, the United States, Australia and New Zealand as well as Canada. The offering is made at par.

Legislation similar to that long a
vocated by the FINANCIAL PO
aimed to abolish the privilege
lowed to Ontario municipalitie
granting bonuses to industrie
been introduced into the pro
house.

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We have just issued a booklet—
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which facilitates the preparation of the Annual Income Tax Return of Individuals, Incorporated Companies, and Estates.
The Questions and Answers have been compiled by a recognized authority on the subject, and are in accordance, so far as can be learned, with the practice of the Taxation Department.
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CIVIC AND PROVINCIAL FINANCE

ALBERTA EXPECTS HARVEST DEFICIT IN COMING YEAR

New Taxes Imposed to Even up Revenue and Outgo

From Our Own Correspondent

EDMONTON.—Economy in administration and the imposition of some new taxes are the means that the Alberta Government proposes to take in order to make revenue and expenditure balance this year. According to the estimates tabled in the Legislature there will be nearly a million dollars additional revenue from increased taxation, but even with that a deficit of some $272,800 is anticipated, unless it is found possible to make substantial reductions in expenditure. Premier Greenfield has announced it as the intension of the Government to make a thoroughgoing search for new avenues of economy during the year.

The extra taxes that will be imposed in Alberta to help make revenue for the provincial treasury are as follows: a levy of two cents on every gallon of gasoline, to be paid by the consumer; an increase in the amusement tax, giving an additional 2½ cents on every ticket from 16 cents to $2; an addition of five cents per ton on the coal tax, doubling the present tax; and increases in the taxes on corporations to make them more nearly correspond with the corporation taxes in the other western provinces. These several taxes are expected to yield about $928,000 additional revenue.

Tax Incomes Next Year

A provincial income tax has also been decided upon, but it will not be imposed until another session of the Legislature, which is to be called for November next for the special purpose of passing an income tax act. Premier Greenfield has explained this delay as due to the Government's desire to make the act as fully adequate and fair as possible and to give time also for the hoped-for improvements from inside economies and from 1922 crop conditions.

The income tax will possibly be made retroactive from July 1, however, and if so passed will help balance the accounts for the current year. The Government has been asked to provide for a percentage of the tax to revert to the cities, Edmonton and Calgary being specially desirous of thus securing a proportion of the income revenues, since the Legislature has refused them the right to impose income taxes of their own. It is not likely, however, that the province will give up any part of its revenue from this source, though the premier is known to favor a conference between the municipal, provincial, and federal authorities for the purpose of determining their respective fields and powers of taxation.

The budget submitted to the house showed the estimated shortage and indicated the Government's expectation of making up all or most of it by cutting down expenditures. This of itself is an innovation as previous governments in Alberta have endeavored always to show a surplus. An independent audit of the province's accounts under the present administration has disclosed the fact that through a faulty system of bookkeeping, which has permitted unpaid bills to be carried forward into the new year, there has now accumulated a total deficit of income under expenditure amounting to $5,010,000. Against this there is "deferred" or uncollected revenue of $5,200,490, on which it is hoped to realize a substantial proportion. A different system of book-keeping is to be introduced, and the present Government is frankly admitting that it expects a deficit on the current year's operations.

Combined capital and current expenditure in Alberta this year are estimated at $27,548,586. The new votes include raidway advances and interest of guaranteed bond issues. The total amount to be borrowed this year is put at $17,800,000, of which $6,250,000 will be for maturing issues that will be refunded next fall.

Alberta's gross public debt now stands at $59,010,256, with a sinking fund of $1,546,581. Some $22,300,000 of the gross total represents utilities and accounts that are self-supporting, leaving a net bonded debt of $35,153,208.

The assets of the province are reported at $165,648,682. The largest items making up this total are unsold school lands, telephone plant and stock, deposit school lands fund, public buildings, advances to railroads under control of the province, deposit in hands of the Dominion Government, and deferred revenue. In making up this statement of assets, the Government went upon the basis of valuations by the previous government.

Current revenue for 1922 is estimated at $14,474,561, and the estimated expenditure is $14,747,402. The actual expenditure in 1921 was $11,086,936. For the current year the public works and general administration estimates are reduced, but the public debt and public health votes show increases. Normal expansion of departmental services is given as the explanation of the other increases in expenditure.

Winnipeg's Borrowing Likely to Go Through

From Our Own Correspondent

WINNIPEG. — Pending complete dissolution of the provincial legislature it is believed that among the "non-contentious" measures likely to secure approval is the city of Winnipeg's bill for authority to borrow $600,000 for housing. This measure is regarded as possessing an important bearing on the unemployment situation. Only a newly constituted legislature can alter Manitoba's taxation policy—which appears completely to preclude the institution of an income tax. It was originally proposed by the retiring provincial treasurer to make the contemplated Income Tax payable in 1922 retroactive for the year 1921. Business men do not now regard taxation upon Manitoba's last year's income as any longer likely. It is admitted that the next administration may find an income tax necessary as a revenue-getter but it does not seem probable at this juncture that the incoming government can commence taxing incomes until 1923, when obviously collection would be computed upon this year's incomes.

TENDERS AND BY-LAWS

TENDERS WANTED

March 25, Moose Jaw.—$19,099, 6 per cent., 10-year various debentures; $13,500, 6½ per cent., 30-year; $12,000 6½ per cent., 10-year, Geo. D. Mackie, City Commissioner, Moose Jaw.

April 8, Wainwright.—$6,000, 6½ per cent., maturing 1929; $4,000 15-year 7 per cent. debentures. H. Y. Pawling, Sec.-Treas., Wainwright, Alta. (See announcement on page 16.)

March 31, Liverpool, N. S.—$15,000 5½ per cent., 20-year debentures. T. R. Bartling, treasurer.

April 4, Boissevain, Man.—$7,500 7 per cent. 20-year debentures. H. J. Phillips, Sec.-Treasurer.

March 27, Verdun, Que.—$176,500, 6 per cent. debentures, maturing May 1, 1941, Interest payable in Montreal or New York. (See announcement on page 16.)

April 3, Bowmanville—$65,000, 6% 20-instal. local improvement debentures. John Lyle, clerk. (See announcement on page 16.)

April 110, Edmonton—$870,000, 30-yr. 6% debentures. C. J. Yorath, City Commissioner. (See announcement on page 16).

April 3, Windsor, R. C. Separate Sch. Board.—$260,000, 5½ per cent., 30 instal. debentures. Damien Gourd, Sec.-Treas., 616 Pierre Ave., Windsor. (See announcement on page 16.)

Mar. 29, Miniota, R. M., Man.—$86,000 5½%, 30 installment debenture; $9,000 5½ per cent, 20-year telephone debentures. W. E. Warren, Sec.-Treas., Miniota.

April 10, Hull, Que.—$76,000,5½ per cent., 15 year debentures; $62,000, 5½% 30-year debentures. H. Boulay, City Clerk.

BY-LAWS TO BE VOTED ON

April 5, Dundas, Ont.—$15,000 for erection of woollen plant.

March 25, Macdonald, R.M., Man.—$8,000 for erection of school.

DEBENTURE NOTES

New Toronto.—The council has refused the request of the School Board to issue debentures for $93,000 to purchase a site and build a new school.

BRITISH COLUMBIA

City of Victoria.—Local Improvement No. 521, assessment by-law, 1921, bylaw No. 2156, $34,531, payable in fifteen years, with interest at 6 per cent, payable half-yearly.

City of Prince Rupert.—By-law No. 380, for the extension of the municipal water system, $75,000, payable in 20 years with interest at 7 per cent, payable half-yearly.

Mackay-Mackay Buy Two Municipal Bond Issues

Smiths Falls, Ont., has sold $26,468 of 5½ and 6 per cent. 20 instalment bonds to Mackay-Mackay at 100.253 a 5.72 basis. The bids were:

Mackay-Mackay	100.253
C. H. Burgess & Co.	99.931
Bell, Gowanlock & Co.	99.579
R. C. Matthews & Co.	99.27
A. E. Ames & Co.	99.127
Harris, Forbes & Co.	97.566

Orillia Hospital Bonds

Bonds issued by the Orillia Memorial Hospital but guaranteed by the town of Orillia, to the amount of $41,873 have been purchased by Mackay-Mackay. The bonds bear 6 per cent. interest, are repayable in 16 instalments and were bought at 101.73. Bids were:

Mackay-Mackay	101.73
Canada Bond Corp.	100.154
Dominion Securities Corp.	100.866
Stewart, McNair, Reid & Co.	100.315
McLeod, Young, Weir & Co.	100.27
Wood, Gundy & Co.	100.08
C. H. Burgess & Co.	99.33
W. C. Brent & Co.	99.28
A. E. Ames & Co.	99.
Dyment, Anderson & Co.	98.27

Bank Buys Penetang's

The Sterling Bank was purchaser of $45,000 of 6 per cent. 20 year bonds of the town of Penetang, Ont., at 102.61, a 5.68 cost basis. The bonds are guaranteed by the County of Simcoe. Bids were:

Sterling Bank	102.61
R. C. Matthews & Co.	102.41
Municipal Bankers Corp.	102.38
Royal Securities Corp.	102.333
Dyment, Anderson & Co.	102.13
Gairdner, Clarke & Co.	102.07
Mackay-Mackay	101.70
Wood, Gundy & Co.	101.69
C .H. Burgess & Co.	-01.66
A. E. Ames & Co.	100.59

Purchase Tecumseh Bonds

Nesbitt, Thomson and Co., have purchased $60,000 of 6 per cent. thirty instalment bonds of the town of Tecumseh, Ont.

Perth Bonds Stay Home

Tom Farmer, a local bond dealer, has bought $25,000 of 6 per cent., twenty instalment bonds of the town of Perth at 102.32, a 5.80 basis. The bids were:

Tom Farmer	102.32
Mackay-Mackay	102.30
Canada Bond Corp.	102.07
A. E. Ames & Co.	101.79
Bell, Gowanlock & Co.	101.75
Dominion Securities Corp.	101.56
Gairdner, Clarke & Co.	101.528
Macneill, Graham & Co.	101.41
W. C. Brent & Co.	101.12
Wood, Gundy & Co.	101.11
C. H. Burgess & Co.	100.93
W. A. Mackenzie & Co.	100.912
Dyment, Anderson & Co.	100.39

Markham, Ontario Bonds

An issue of $4,500 of 6 per cent. 15 instalment bonds of Markham, Ont., was sold to Wm. C. Brent & Co., at 100.35, a basis of 5.95 per cent.

Swift Current Inquiry Stays Legal Proceedings

Further legal action by debenture holders of Swift Current city and Swift Current school district to recover arrears of interest and principal is stayed by the application of the city to the Local Government Board for an inquiry into its affairs under legislation recently passed. The inquiry will commence May 1 at Swift Current.

Point Grey.—Roads loan by-law 1, 1922, $200,000, payable in twenty years, with interest at 5½ per cent., payable half-yearly.

Point Grey.—Sewers loan by-law No. 2, 1922, $300,000, payable in twenty years with interest at 5½ per cent. payable half-yearly.

District of Burnaby.—School loan bylaw 1921, No. 345, $30,000, payable in fifteen years with interest at 5½ per cent. payable half-yearly.

SASKATCHEWAN

The following is a list of authorizations granted by the local government board from March 4th to March 11th, 1922:

School Districts.—White Fox, $2,700; Luseview, $3,600; Idlewilde, $3,700; Lawson Village, $4,000; Leask Village, $2,000; Virgel, $2,900; Pinkham, $3,500; Flett Springs, $4,800; Bonnie Doon, $3,600; Murray Lake, $2,000; Brady, $900; Stone Cliffe $1,500.

Rural Telephone.—Willow Hill, $2,150.

The following is a list of debentures sold from March 4th to March 11th, 1922:

Schools.—Swan Bluff, No. 2472, $1,500, 10 year 8 per cent, C. C. Cross & Co., Regina. Fur Lake No. 4383, $1,100 10 year 8 per cent, C. Crawford, Mount Nebo. Everetton, No. 1413, $2,000, 10 years, 8 per cent., C. C. Cross & Co., Regina. Honey Bank, No. 3218, $1,500, 10 years 8 per cent, Regina Public School Sinking Fund.

Rural Telephones.—Eye Hill, $4,000, 15 year 8 per cent., C. C. Cross & Co., Regina. Gilead, $2,400, 15 year 8 per cent., Geo. Moorhouse & Co., Regina. Atwater, $900, 15 year 8 per cent., C. C. Cross & Co., Regina.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
		MUNICIPAL					
Mar. 22	Smith's Falls, Ont.	Mackay-Mackay	5½ &6%	20 ins.	$ 26,468	100.253	5.72
Mar. 21	Burnaby, B. C.	Pemberton & Son	5½ %	15 yrs.	30,000	95.127	
Mar. 20	Perth, Ont.	Tom Farmer	6 %	20 ins.	25,000	102.32	
Mar. 18	Orillia, Ont.	Mackay-Mackay	6 %	16 ins.	41,873	101.73	
Mar. 18	Penetang, Ont.	Sterling Bank	6 %	20 yrs.	45,000	102.61	5.68
Mar. 6	Victoria, B. C.	Royal Securities Corp.	6 %		101,000	99.36	6.13
Mar. 11	Saskatchewan Schools and phones				13,400		
Mar. 6	Gilbert Plains, Man.	Sterling Bank	6 %		43,000	102.75	5.71
Mar. 20	Tecumseh, Ont.	Nesbitt, Thomson & Co.	6 %	30 ins.	60,000		
Mar. 20	Markham, Ont.	W. C. Brent & Co.	6 %	15 ins.	4,500	100.35	5.95
		PROVINCIAL					
Mar. 8	Manitoba	A. Jarvis & Co.	5½ %	20 yrs.	2,250,000	100.28	5.47
		CORPORATION					
Mar. 20	Municipal Bankers Corp.		6½ %	20 yrs.	2,000,000		
Mar. 20	Booth Buildings	Royal Securities Corp.	6½ %	15 yrs.	750,000		
Mar. 22	Tooke Bros.	Hanson Bros.	7 %	20 yrs.	350,000		
Mar. 22	K. & S. Tire Co.	Richardson, Sheppard & Thorburn	7 %	15 yrs.	230,000		
		FOREIGN					
Mar. 20	Newfoundland	Dom. Securities Syndicate	5½ %	20 yrs.	6,000,000	98.763	5.61*

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*Payable New York, Canada, and Newfoundland.

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The value of confidential counsel and advice as to investments has been proved by experience. Our practice is to analyze each individual client's position financially, and select from the list of offerings we deem most attractive, those best fitted for his needs.
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We will shortly be bringing out an issue of Bonds which are strongly secured by sound real estate assets.
These Bonds are so attractive in Security, Earning Power and Interest Yield, that we advise you to secure full particulars before investing elsewhere.
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GUARANTEED
Long Term Debenture Stock
Price to yield 3.40%
Almost 50% increase in principal at maturity
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ESTABLISHED 1870
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To Yield 7½%
We offer the exceptionally well secured 7% First Refunding Mortgage Sinking Fund Gold Bonds of the Howard Smith Paper Mills at 95 and interest to yield 7½%.
The business reputation and financial history of Howard Smith Paper Mills is sufficient assurance to investors of the value and desirability of this investment.
Denominations $100, $500, $1000.
Write for prospectus.
R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO

We own and offer
$50,000
City of Three Rivers, Que.
Denominations:
$100 - $500 - $1,000
Due Nov. 1, 1931
Interest payable semi-annually, May and November
Price: 101½. Interest to yield
5.80%
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BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

Sun Life Assurance Company of Canada
Head Office: Montreal

Assurances in Force - $500,000,000

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$74,000,000.00
POLICIES ISSUED FROM $500 TO $5000
G. E. BAILEY, Secretary W. H. HUNTER, President G. R. COTTRELLE, Treasurer

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE, WINNIPEG, MAN.
TOTAL ASSETS $2,792,662.00
TORONTO, 24 Adelaide St. W. W.H. George, Superintendent of Agencies

MUTUAL PROGRESS — MUTUAL PROSPERITY

NINETEEN TWENTY-ONE—the fifty-second year in the history of the Mutual of Canada—will be ever memorable on account of the exceptional success attending the company's operations. The expense ratio decreased: the average interest rate increased, the mortality was amazingly light—three features which combined to give the policyholders surplus earnings unequalled in the experience of the company. The assets increased to $48,211,204. An amount more than sufficient by $5,790,520.70 to guarantee all claims. This surplus has been allotted to various funds, all of which are **Policyholders' Funds.** Nearly 100,000 policyholders and their families share in the $228,000,000 of protection afforded by Mutual Co-operative effort. The company is increasingly popular because it offers its policyholders "The largest amount of sound life insurance for the least possible outlay."

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO ONTARIO.

THE NORTHERN LIFE
Home Office - London, Canada
A COMPANY OF DISTINCTIVE FIELD METHODS.
A NEW "TWENTY-YEAR" AGENCY CONTRACT.
A NEW PERFECT PROTECTION POLICY.
NEW AND EXCEPTIONALLY SALEABLE COUPON SAVINGS POLICIES.
WE WANT TEN AGGRESSIVE MEN OF GOOD CHARACTER WHO CAN BUILD A BUSINESS FOR THEMSELVES UNDER A DIRECT HOME OFFICE CONTRACT. WRITE TO THE GENERAL MANAGER.

A BRITISH COMPANY
UNION INSURANCE SOCIETY OF CANTON
LIMITED
Established 1835
Fire - Automobile - Marine Insurance
TOTAL ASSETS OVER $40,000,000.00
Head Office for Canada - 36 Toronto St., Toronto
C. R. DRAYTON, Manager for Canada

INVEST YOUR SAVINGS
5½% Interest Return
In a 5½ DEBENTURE of
The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
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HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
FINANCIAL ASSISTANCE
to Estates being administered by it
PAID-UP CAPITAL AND RESERVE $1,212,725
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
VANCOUVER AND VICTORIA

L. R. STEEL SERVICE CORPORATION LIMITED
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Executive Offices Ellicott Bldg., Buffalo, N.Y.
Canadian Executive Offices: Royal Bank Bldg., Toronto, Canada

INSURANCE AND REAL ESTATE

BANKS CO-OPERATE WITH INSURANCE COMPANIES NOW

Unfriendly Spirit Has Changed To One of Mutual Benefit

From an address given by A. F. Hall, General Manager of Lincoln Insurance Company, before Wisconsin Bankers' Meeting

Time was when many bankers were unfriendly to life insurance companies because they felt that the accumulation of millions of dollars in policy reserves would be harmful to the banking interests. As the business grew, however, and it was found that these millions were used to finance business through large balances carried in the banks by the life insurance companies and through the investment of the funds in stocks, bonds, and mortgages, and in loans upon policies, the unfriendly spirit changed to one of great friendliness and now life insurance companies and banks co-operate to the fullest extent.

Last year American life insurance companies loaned approximately 300 million dollars on real estate mortgages. Real estate loans of 2½ billions stand first in the investment of life insurance companies and represent almost 1|3 of their total reserves. Approximately 1¼ billions of these loans are on city property and 1¼ billions on farm property. The 300 million dollars loaned on real estate by life insurance companies last year did much to stimulate agriculture and to encourage the building of much needed homes and business structures.

Railroad securities come second in the holdings of life insurance companies, representing 25 per cent. of the reserves; policy loans come third, representing a little less than 15 per cent. of the reserves and United States bonds come fourth, representing a little more than 11 per cent. of the reserves.

Loans on Policies

Last year American life companies loaned 200 million dollars to policy holders upon their policies, bringing the total policy loans to a billion dollars. You will be interested to know that only a few years ago the ratio of loans to policy reserves held in rural districts was considerably lower than the ratio to reserves on policies held in the cities. The needs of the farmer during the past two years however, have changed this proportion and he is now as heavy a borrower on his policies as is the city policyholder. This has been particularly true of the northwestern group of states.

Again you will be interested, I believe, in hearing the first eight reasons given by the borrowers on policies for desiring loans. Henry S. Nelson, president of the Equitable Life of Iowa, in an address made before the American Life Convention last fall said that his investigation developed the following reasons in the order given:

"1. To pay premiums on policies.

2. To pay interest on obligations to banks.

3. To pay maturing notes to banks, or portions of indebtedness to procure extensions on the balance.

4. To pay outstanding account to merchants and for professional service.

5. To pay rental on farms.

6. To pay taxes—particularly during the last half of 1921.

7. To purchase supplies for current needs of equipment, food, and clothing.

8. To meet the pressing demand of creditors who could force a premature sale of stock or grain at a sacrifice."

Borrowers Represent Many Classes

"A survey of the occupations of policyholders who have recently borrowed on their policies discloses the fact that they represent every branch of human activity, and no class or locality has remained exempt. Bankers, as well as farmers; merchants and those engaged in the professions; manufacturers and executives of large enterprises, as well as employees—are mingled in the list of borrowers, which may account for the fact that the past year the average amount loaned to each policyholder has steadily risen.

"The various reasons for their demands may all be summarized in one underlying cause—'financial stringency.'

"These loans have been distributed among policyholders throughout the country and through them into the communities where the greatest need for financial assistance has prevailed.

"This is indeed notable service rendered by life insurance companies and gives renewed evidence of their utility to the public under all conditions."

Many of you bankers here no doubt number life insurance companies among your best customers for the purchase of farm loans. You have reciprocated by helping insurance companies directly or indirectly to write insurance on the lives of your banking customers, and especially upon the lives of those customers, who are in debt to you. You realize that every policy held in your community is a valuable asset to the community because when a death claim is paid the proceeds are deposited in your bank and the debts of the insured are liquidated. The beneficiary asks your advice, or should do so, as to the investment of any margin left after the payment of debts.

The relationship between bankers and life insurance companies is pleasant because the relationship as it now exists is one of mutual profit. The relations will remain cordial just as long and no longer than they remain mutually profitable.

POSITION OF THE TRUST COMPANIES

Analysis of Assets as at December 31st Compared with Year Before

Analysis of the financial affairs of twenty-one trust companies registered in Ontario, as compiled by W. Evan Gray of the Department of Trust and Loan and Insurance Companies, shows assets of $32,989,410 in company funds and $35,134,618 in guaranteed funds at the end of 1921 compared with $31,279,681 and $37,916,802 respectively a year before. Following are the comparative figures:

COMPANY FUNDS

Assets	1921	1920
Office premises...	2,635,853	2,805,279
Real estate	670,171	511,792
Mortgages	10,883,544	9,227,728
Loans......	3,043,023	3,958,512
Investment bonds.	3,979,443	3,586,831
Municipal	1,015,241	1,054,079
Other bonds	2,568,465	2,323,948
Stocks	2,928,915	2,758,338
Cash	1,212,409	1,218,162
Other assets	4,052,341	3,772,008
	32,989,410	31,279,681

Liabilities	1921	1920
Liabilities	6,454,721	5,679,506
Capital	15,158,438	14,838,445
Reserves	10,141,815	9,476,534
Profit and loss...	1,234,434	1,285,194
	32,989,410	31,279,681

GUARANTEED FUNDS

Assets	1921	1920
Real estate	42,094	....
Mortgages	22,192,672	22,646,725
Stocks and bonds..	4,305,840	4,177,017
Govt. bonds	1,773,214	2,683,253
Municipals......	3,534,076	3,599,894
Other bonds	1,334,290	1,176,322
Cash	1,236,729	1,692,924
Other assets	1,735,600	1,939,162
	36,154,518	37,915,302

Liabilities	1921	1920
Guaranteed funds..	36,154,518	37,915,302

RESULTS OF SALES RESEARCH IS SHOWN

Study of Thirty Life Companies Shows Influence of Age and Experience

The results of the co-operation of thirty life insurance companies, whose aim is to improve sales methods and the selection of salesmen, was given by J. M. Holcombe of the Phoenix **Mutual Life Insurance** Company in **Philadelphia,** recently. "In the matter of age, the experience of one company is that men under twenty-six years old show distinctly inferior results in comparison with men from that age to forty," said Mr. Holcombe. "There are few sales managers who would make these limits absolute however."

Another study showed that increasing years of experience since leaving and before entering the life insurance business tended to increase success. Schooling is another much mooted point. There is a wide difference of opinion as to whether college graduates produce better results than those with less formal education, this point was not settled. It has been borne out by the few cases studied that those carrying insurance on their lives at the time of becoming salesmen do much better work than those who do not. Maritial status is also a factor. One statistical study disclosed that each additional dependent seemed to insure slightly increasing success, although the success of a man with more than four dependents seemed to be materially impaired. In a recent analysis, it appeared that very short men did not have the success that men of five feet nine and ten inches had.

INTERNATIONAL NICKEL

International Nickel Co. has decided to close one of its Bayonne plants so that manufacturing business may be carried on more economically. Part of equipment will be transferred to new plant at Huntington, W. Va., being erected at a cost of $3,000,000; part will be moved to new refinery at Port Colborne, Ont., and part will be transferred to other Bayonne plant, which will continue operating.

FIRST SICKNESS INSURANCE DATES BACK 1000 YEARS

First Commercial Form of Insurance Introduced in the 19th Century

By F. G. LIGHTBOURN

Summary of Address on "The History and Development of Accident and Sickness Insurance."

The first mention of accident and sickness insurance is made in the old sea laws, which regulated the navigation of the coast of France in the 13th century; where are found traces of the principle of remuneration to be paid for sickness, and also that some European Governments provided, for their soldiers, specific indemnities for loss of limb, sight, etc. However, it was not until the 19th century that the idea developed on a commercial basis. As early as 1820 we find fraternal societies giving "sick pay benefits." The introduction of steam into England was the cause of a series of accidents. So serious were these that a group of men organized a company, to insure against financial loss arising out of these accidents. It was in this way that the Railway Passengers Assurance Company came into being in 1848.

In 1850 the Accidental Death Insurance Company were the first to issue policies covering accidents generally, on practically the same basis as they are given today. In 1890 the companies first began to issue sickness insurance and the Law Accident is credited with being the first to issue limited health coverings. Only 4 diseases were covered at first, but this was latter followed by policies covering 52 diseases. The introduction of the Workman's Compensation Act in 1892 in England caused an upheaval in the casualty world and many of the weaker companies went under. The Travellers Insurance Company was the first company to issue accident insurance in the United States in 1863.

Introduction into Canada

In turning to the growth of accident and sickness in Canada, Mr. Lightbourn said:

The Travellers started business here in 1865. In the same year the Citizens' Insurance Company of Montreal was organized. In 1871 the Sun Life commenced selling accident policies. In 1874 the Accident Insurance Company of North America was organized, and in 1880 we have the first English Company, the London Guarantee & Accident. In the year 1881 five companies reported to the Insurance Department the combined income of $88,000. In 1890 nine companies reported the total premium income of $295,000. This, however, included under the head of "accident business" liability premiums. The policies that were issued at this time were straight accident coverings, with a basis rate of $4.00 per $1,000, and $5.00 per week for the select classes, without trimmings of any kind. The Ocean entered Canada in 1895 and were the first to introduce sickness insurance to combination with accident policies. They gave 4 specific diseases free of charge. This was a distinct innovation and it was some time before the other companies followed suit. About the same time the Travellers introduced into Canada the combination or double liability clause. In 1900 there were 10 companies writing accident insurance, reporting a combined income of a little over $700,000, including liability. Sickness premiums written by accident companies were reported as $3,297,00.

Limited health policies covering 15, 30 and eventually 52 diseases were sold with at first considerable popularity. These limited coverings proved unsatisfactory, and about the year 1905 we find the companies issuing general health covering, some alone, but usually in combination with accident policies. In step with the activity in the business in both England and the United States, expansion followed in Canada. During the five years ending 1905 six new companies reported to the insurance department, four Canadian and two United States, with a total value of accident premiums alone of $995,000, and sickness premiums of $120,000. At the end of 1910 there were 18 companies with total accident premiums of $1,815,000, and sickness premiums of $273,000. In 1915 there were 25 companies with total accident and sickness premiums aggregating nearly $2,700,000. In 1920 there were licensed by the Dominion Insurance Department, 33 companies who wrote an aggregate of over $4,000,000 personal accident and sickness premiums. If we analyze the returns made year by year, we will find that the accident department produced fairly satisfactory loss ratios, but the sickness end of the business has been unprofitable. When the expansion began, over 20 years ago, the companies seemed to vie with each other in issuing new and more attractive policies.

It will not be possible for us to follow the various additions made to the benefits under the policy contracts. There is a tremendous difference between the original policies issued 70 years ago and the approved forms of today. With the last few years most of the companies have realized that both in the interest of the public and themselves standard sickness coverings and rates are imperative. With that object in view, committees have been working both in the United States and Canada with considerable success. In Canada, there are now only four companies not in agreement as to sickness rates, and it is sincerely hoped by the committee that these companies will soon see their way to join the others. This movement marks a distinct improvement in conditions governing the sickness business.

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Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
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Western Assurance Company
Fire, Marine, Automobile, Hail, Explosion, Riots, Civil Commotions and Strikes Insurance
Incorporated 1851
HEAD OFFICE. TORONTO, ONT.
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Losses paid since Organization - - $81,300,000.000
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British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. R. Meikle, President and General Manager; Wilfrid M. Cox, Vice-President; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major Gen'l Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - - $4,400,000.00
Losses Paid Since Organization, over - $50,000,000.00

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GREAT FUTURE IN CHINESE MARKETS FOR CANADIANS

Some Great Possibilities for Aggressive Manufacturers

NO CANADIAN BANKS

Trade Commissioners Should Give a Little More Attention to Remove Various Obstacles

In an article on Canada's chances in the Chinese Market, the current issue of the British Chamber of Commerce Journal of Shanghai, points out the ways in which our trade might be improved and extended. At the present time there are many weak points in our export policy. Many of our large firms manufacture for the home market exclusively and simply regard the foreign markets as an outlet to dispose of goods at reduced prices, at such time as their output exceeds the requirements of the local markets. So that when a foreign merchant purchases stock he naturally assumes that further quantities will be available, when his first supply is exhausted and upon learning that repeat orders can only be filled by the shippers, at greatly enhanced prices, he naturally feels that such treatment is not considerate and immediately concludes that this practice is a common one throughout the Dominion.

Bad packing is the cause of many complaints, because many of our Canadian houses ship their goods in the cheap flimsy cases that they use at home and which are entirely inadequate for ocean transit. With the result that the goods not only arrive on the docks in a broken condition, but their contents have been pilfered. Criticisms are also passed on the manner in which some of our houses deal with enquiries addressed to them. Quotations are often given f. o.b., and it is felt that shippers should realize that a buyer abroad has no means of computing rail rates to port of shipment together with cartage, dock dues, wharfage and handling charges. All quotations should be given c. i. f. destination in the currency of the buyer. Special catalogues should be prepared, if possible well illustrated, and giving a full description of the goods and the season that the goods are to be available.

BANKING FACILITIES

Considerable delay is occasioned in doing business with Canadian firms owing to the absence of adequate banking facilities in China and it would seem that one of the larger Canadian banks would secure a fair amount of business here as at present all banking transactions have to be passed through San Francisco or Seattle, which means that all details of Canadian business done on letters of credit, etc., are known in the States. Banking in China is one of the most lucrative businesses imaginable, and profits on exchange alone should enable a Canadian bank to pay its overhead in this "paradise of the exchange broker." It is felt that the Canadian Government, instead of sending trade commissioners to tour Czecho Slovakia and other equally impossible territories for business, might afford a little practical assistance to exporters by removing several of the obstacles from which they suffer at present. The small support which one of the banks would need to induce them to establish a branch in China might well be given by the Dominion Government and pressure should also be brought to bear upon them to be a little less conservative in financing shipments and in accommodating reliable houses handling export business. This assistance would be of far greater material benefit than the present services of the Department of Trade and Commerce in furnishing a continual stream of unnecessary information regarding the minor requirements of obscure centres in far distant countries where future economic conditions are so problematical as to render all business difficult and most of it very unsafe. There are plenty of profitable markets nearer home, available for Canadian products without experimenting in small foreign countries but little known to shippers, who lack the experience and are without the facilities for granting the extraordinarily long credit terms required by these buyers.

In the Orient, China undoubtedly offers the best field for Canadian goods and the Dominion has all the shipping facilities which could be desired to contribute to the furtherance of trade. Vancouver is a port with nearly one hundred miles of water front with excellent wharves and piers, docking and storage accommodation, together with grain elevators, etc., and most of the advantages of San Francisco. It has a steamship service which is superior to any on the Pacific, and although the direct route to China is only 250 miles nearer than San Francisco, the voyage is made by the Canadian Pacific vessels considerably quicker than by any American line. The C.P.O.S. is owned by the C.P.R., and the two companies working in conjunction are enabled to offer the fastest service from China to any point in Canada and to the eastern cities in the States. All large shipments of silk entrusted to this company are unloaded and entrained by mechanical means without being handled by stevedores. Express trains carrying no other freight are then dispatched to the east, each truck or box car being in charge of a guard. This route holds the record for the quickest journey from China to New York and is generally regarded by shippers as the most efficient service available.

BRANDRAM - HENDERSON LIMITED

ANNUAL REPORT of BOARD OF DIRECTORS

To the Shareholders:

Your Directors herewith submit their Fifteenth Annual Report, with Statement of Assets and Liabilities, and Abstract of Profit and Loss Account, for the year ending December 31st, 1921.

The net profits amounted to $147,742.40 which with the balance of $897,506.73 carried forward from the previous year, makes the sum of $1,045,249.13. Out of this sum has been paid the dividend on the Preferred Stock of $35,000.00 at the rate of seven per cent., and the dividend on the Common Stock of $58,945.00, and also the interest on the issues of First and Consolidated Bonds, respectively, including a reserve provided on both issues for the months of October, November and December, amounting to $60,443.79. The sum of $7,500.00 has been provided as a reserve for depreciation, the sum of $35,000.00 as a reserve for possible loss on accounts receivable, and the sum of $20,000.00 as a reserve for stocks of merchandise. The total at the credit of Profit and Loss Account after the deduction of these provisions is $828,360.34.

The cost of upkeep and renewals incurred during the year at all the Company's plants has been charged to operating expense.

Messrs. P. S. Ross & Sons, as in the past, have audited the books and accounts.

OUTLOOK FOR BUSINESS

The shrinkage in demand, particularly in export territories and in the industrial field at home, which characterized the last five months of 1920, was ever present during the year 1921, and had it not been for a distinctly brisk demand from retail distributors all over the country, the result of the year's trading would have been far from satisfactory. It is gratifying to be justified in stating that our relative share of business offering continues steadily to increase and that the reputation of our products is of the highest.

The world-wide nature of the depression now, it is believed, reaching its final stage, has naturally been attended with difficulties in the collection of accounts. Bad debts accrued during the year have been written off, and it has been thought wise, as a protection for the year 1922, to establish a reserve of $35,000.00 for possible loss on accounts receivable. It is hoped this may not be required. The same may be said of the reserve of $20,000.00 which has been established against the possibility of further depreciation in the values of merchandise.

Your subsidiary, the Alberta Linseed Oil Company, Limited, had a satisfactory year, and, as in the past, has been of marked value to the parent Company.

As foreshadowed in the last Annual Report, your Company has acquired the capital stock of the Pacific White Lead Co., Limited, Vancouver, B.C. The acquisition of a plant on the Pacific Coast should prove of great value in the successful prosecuting of our sales policy in British Columbia.

DIVIDEND POLICY

In view of the uncertainty of the immediate future from the standpoint of profits, and because it was felt that at this time the Company should remain in as liquid a position as possible, your Directors, in declaring the continuance of the present dividend of 7% on the Preferred Stock, payable quarterly to shareholders of record one month prior to dates of quarterly payments, reduced the dividend on the Common Stock by 2%, and declared a dividend of 3% payable 1½% on May 1st and 1½% on December 1st, 1922, to shareholders of record one month prior to the dates of payment.

Your Directors wish to record their high appreciation of the faithful and efficient services of the officers and employees of the Company during the entire year.

All of which is respectfully submitted on behalf of the Directors.

GEORGE HENDERSON,
President and General Manager.

Halifax, March 23, 1922.

C. P. R. POLICY IS TO BRING MANY NEW SETTLERS

Colonel Dennis Defends the Idea of a Million a Year

DISCUSSES PROSPECTS

A Large Portion of Agricultural Settlers From the United States—Limited Number From Great Britain

By COL. J. S. DENNIS,
Department of Colonization, Canadian Pacific Railway

In spite of my long experience in connection with this important matter of colonization, my suggestions in connection therewith have lately been characterized as madness by Sir Clifford Sifton. I have the greatest respect for his opinion. We have known each other for forty years. I worked under him when he was Minister of the Interior and realize that the immigration policy that he put into effect was the only progressive and aggressive policy that we have ever had, and one that produced results up to the time that it died through excessive "red tape" and inaction. Further I would point out, that while we had an immigration policy, we succeeded in 1913 in moving as many as 402,000 emigrants to Canada in one year, and it is certainly not madness to assume that, with increased desire and the necessity of emigrating, on the part of the people of the United States, Great Britain and certain desirable portions of Europe, that number can be largely increased annually, if we had a definite and well-administered colonization policy.

In any case, I much prefer to be called mad for aiming at ten million colonists in ten years and only hitting five million, than to continue shooting at nothing, as we are at present doing, and, as the Irishman said "hitting it in the same place we missed it before."

I find that, at the present time, a general idea that we should close our doors except to those colonists who come here with the avowed intention of undertaking farming, and, I admit frankly, that, particularly in Western Canada and in certain of our older provinces, recolonization of our unoccupied farms and agricultural development are the main factors in the problem we are discussing. But let me point out the following facts to you.

The question, like our Dominion itself, is vast in size and many-sided in character, and it will only be solved by wide vision and broad views on the part of our governments and citizens, and will, of necessity, involve extensive expenditures.

We must, naturally, look for the larger proportion of our agricultural colonists from the United States, where there is a large agricultural population, and draw from where the conditions of climate, agricultural methods, currency, weights and measures and other conditions are so analogous to those existing in Canada, and where, under existing conditions to-day, prices for farm lands being high, and the value of the farm products being low, there is a marked disposition on the part of the people, particularly in the Middle West, to emigrate.

The Prospects in Europe

We should also look forward to the immigration of large numbers of desirable colonists from Central Europe. I know that I will be, probably, charged with advocating the immigration of so-called foreigners. After all, what colossal egotism it is, on our part, to speak of foreigners. We should realize that, we are, in fact, all foreigners on this continent, and that while it should be our aim to maintain and extend British ideals and our Canadian citizenship, we must not forget that many of those who have come to us from so-called foreign countries are to-day amongst our most progressive and valued citizens and who have been, and are taking an active part to solve our national problems and are proving by their willingness and desire to become good Canadians, as is proved by the fact that in one of our western universities, over 50% of the students are of so-called foreign parentage, and that, during the war, many of our military units, which gave the name of "Canadian" a new standing throughout the world, contained upon their rolls the names of many so-called foreigners.

I have indicated where we should go to look for colonists that we need, but it is perfectly clear that there is no use in going to look for them unless something more can be done than is at present being done to encourage them to come. We have no definite emigration or colonization policy at present, and, in fact, the enforcement of the existing Immigration Act, and the regulations thereunder, during the last two years has done more to discourage immigration and colonization than to encourage it and, so far as Great Britain is concerned, has, without doubt, through the medium of our excessive regulations and unwarranted deportations, created the general feeling which now exists in Great Britain that we in Canada have closed the door and do not want British colonists.

Outlook in Britain

The present population of the United Kingdom as shown by the last census is, in round figures, 47,000,000, but it may surprise you to know that of this number, something less than 4,000,000 are engaged in agriculture, and you will, therefore, readily see that unless we are prepared to take a large number of colonists without any previous knowledge of agriculture, we cannot look for the immigration of large numbers from Great Britain. Further, it would now seem to be perfectly clear that the United Kingdom, and particularly England, must look forward to the emigration of many millions of its people, and our policy should be aimed at co-operative action between our government and that of the home country to evolve some scheme under which many of those people of the younger generation can be fitted for agricultural life in Canada by some preliminary training at home, and finishing the training here, together with final assistance to enable them to establish themselves as farmers after this training had been obtained.

Our national debt of Canada is $2,372,000,000, or about $275 per capita of the population, and the annual interest on this debt amounts to $114,000,000 as compared with a total federal revenue in 1913 of $168,000,000.

The census of 1911 showed that we then had a population of 7,206,643. The immigration returns for 1911-1921 showed that we received during that period 1,975,393 immigrants. During that 10 years our national increase amounted to 1,836,407, so that our population in 1921 should have been 11,018,443, although the census shows a population of 8,769,484. What became of the other 2,000,000?

JOBS ON PRAIRIE FARMS FOR THE B. C. UNEMPLOYED

Effort to Get Workless to Move to the Prairie Provinces

From Our Own Correspondent

VANCOUVER. — Although labor bureau statistics show that Vancouver still has 2,000 unemployed on its hands, and while the Victoria city council is still giving relief work to over 500 men, the unemployment situation on the Pacific coast is notably better than it was a few weeks ago.

The opening of the logging camps, the resumption of mining and fishing and the demand for farm labor have all accounted for a drift of men from the large centres of population to the country districts, and the cities are being enabled to gradually relax their efforts in behalf of those without work.

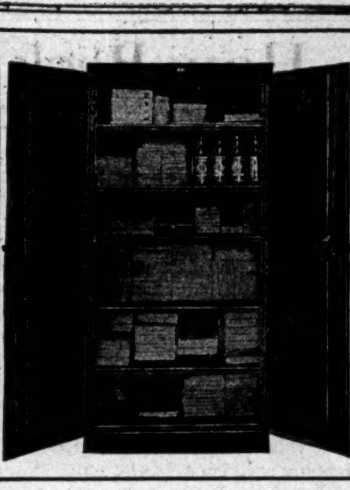
British Columbia is still experiencing a somewhat depressed business condition, although there are signs of pronounced improvement as the spring develops, and conditions throughout the province in a general way are much better than was the general expectation last fall, when there was a formidable army of unemployed in all the cities with little or no prospect of any large undertakings being started that would absorb surplus labor.

In spite of protests against the Federal Government's provisions for assisting the municipalities in financing public works as relief measures, the cities have managed to get along without serious difficulty, and the opinion is general that the unemployment problem will soon right itself.

Back to The Land

The British Columbia department of labor is working with the prairie employment bureaus in an effort to place coast labor on the farms of Saskatchewan, Alberta and Manitoba this season. It is estimated that between 1,500 and 2,000 men can be furnished by Vancouver and Victoria to work on prairie farms during the summer, and negotiations are being made with the railways for reduced fares for farm workers. Ten dollars from Vancouver to Calgary or Edmonton and one cent a mile beyond those points is the rate being asked for. The Saskatchewan government had announced that 3,000 men will be required by that province alone during seeding time. The rates of pay will not be as high as during the harvest season, when $4 a day was guaranteed and $5 and $6 often actually paid, because the drop in farm prices has prevented farmers from continuing their usual wage schedule.

World's output of silver in 1921 was 161,000,000 ounces. Mexico produced 62,000,000 ounces, United States 50,000,000 and Canada 10,000,000. Mexican embassy says motion picture industry took 40,000,000 ounces.



Mr. E. Fficiency says:

There was a big waste in our materials—stationery was being spoiled, books were becoming office-worn; it was hard to find supplies we had, and we bought more because we thought we were out.

Then we added to our office equipment a

DENNISTEEL
Made in Canada

Now we know where everything is—our supplies are protected from dust, from mice, and what is most important of all, from fire. The cabinet is really a handsome piece of office furniture, and such a saver of space!

DENNIS ALSO MAKE

Steel Lockers, Steel Shelving, Steel Bins, Steel Lavatory Compartments, Steel Chairs, and Stools, etc. Ornamental Iron and Bronze, Commercial Wirework of all kinds, General Builders' Ironwork, "Boca" Solid Steel Sash. Write for folders to

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Reduce the Cost of Selling

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Think of Long Distance in terms of time and money saved. "Use the Bell to Sell." It is to-day the most effective form of approach to customers. Your personality, the convincing tones of your voice, will bring results when everything else fails.

"Increasing the efficiency of a sales force ten per cent is well worth while" — writes a subscriber. "We call up our travellers by Long Distance, or they call us. We encourage them, advise them, help them to secure orders. If competition arises we learn of it in time to meet it.

"Two of our most capable men look after Long Distance orders. Our Private Branch Exchange switches calls instantly to one of these men, which gives our customers the advantage of Station-to-Station rates."

Every Bell Telephone is a Long Distance Station

If you only knew—

that your good health would continue, even for one day—

that twenty years from now you would be alive and well off—

that your present income would remain secure and always available for you or your family—

You might then plan your affairs accordingly. But to know these things is impossible.

The Only Way

You can, however, anticipate the years, *capitalize* your present health and earning power, and thus make certain of twenty years' progress *now*, by securing in good time our

Home Protection Policy
for $5,000

This plan is the basis of all life insurance.

It provides an "Estate" at the lowest net outlay it is possible to obtain.

Experience has proven that it offers maximum insurance at minimum cost.

The annual outlay is comparatively small, being only a moderate rate per cent on the capital "estate" created, according to age. The average is about 3%.

Even these small payments are reduced by dividends.

Many policyholders in the Canada Life have lived to draw large sums from this form of policy for their own personal use.

Cash values are guaranteed—a fund for emergencies.

A monthly income of $50 is paid if you become totally and permanently disabled before reaching age sixty.

Policy continues in force while any cash value remains, thus preventing lapse and loss of protection.

If it is desired to stop paying premiums any time after the third year, a "paid for" policy is issued for a proportionate amount, on which no further premiums are required.

Remember:

A policy on your life may do much that you intend to do, if you live. It may pay off the mortgage, supply food and clothing for your family, keep the children at school and prevent a forced sale of your other property.

It may be all that is left of your life work—to keep you in comfort in your old age.

Ask For Particulars

The type of man who protects his home—

Will, as the years pass by—

Find increasing prosperity—

And in due time reap the rewards of success.

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Assurance Company
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TORONTO

FILL UP — CUT OFF — MAIL TODAY
Canada Life Assurance Company,
12

SAYS THE STATES WILL SOON NEED CANADIAN FOOD

Scientific Expert Predicts Want Will Kill Tariff

ECONOMICS AT WORK

Growing Feeling That They Will Eventually Provide a Stronger Influence in Situation Than Politics

NEW YORK.—For those who seek a basis for the apparent optimism with which the Hon. W. S. Fielding returned after his recent reciprocity pilgrimage to Washington, it is illuminating to read an article written by Dr. E. D. Ball, Director of Scientific Work, in the United States Department of Agriculture, published in the Banker and Financier of this city. Dr. Ball warns his readers that the United States, unless something very drastic is done at once, is going to become a food importing country. In terms of dollars and cents this is already the case, he points out. The United States today imports more sugar, tea, coffee, spices, nuts and tropical fruits than it exports wheat and meat. But worse is yet to come. Dr. Ball points out that in 1898 the peak of agricultural production was passed so far as the United States was concerned. While production kept pace with population for some time after that date, during the last decade it has steadily lost ground. This decrease has been most marked in the case of cotton, corn, and wheat. In the case of wheat the 1920 average was 104 million, exactly the same as that of 1910. The 1920 crop was, in actual volume, larger owing to an exceptionally favorable fall. The 1921 crop was smaller both in acreage and production.

"Wheat production in the United States would be even less," says Dr. Ball, "if it had not been for the fact of the great war drive and the remarkable advance in the selling price of this great cash crop. The combination, however, only forced it up temporarily and it has dropped back to almost its pre-war average."

Will Need Canada's Foods

Dr. Ball goes on to emphasize the point that there is no escaping the conclusion that the larger areas of the rich fertile and easily tilled land of this country has already been taken up and that the increase in farm area in the future will be relatively slow. There will be small areas, in which the frost hazard will be great and others where the drought hazard is the limiting factor. The utilization of many of the remaining undeveloped portions of the United States will be delayed until a marked increase occurs in food prices.

But in the meantime, according to Dr. Ball, the United States is rapidly approaching a condition in which the food balance is definitely against it unless the question of food production is made one of the national problems.

Dr. Ball predicts the coming of a time in the near future when the price of wheat in Liverpool plus the price of wheat in Chicago will be the cost of moving it to Chicago, rather than the reverse.

In conclusion, Dr. Ball says: "We are going to become a food importing country unless we do something to prevent it."

Economic Influences

Thus apparently the experts of the United States Department of Agriculture feel that ultimately, politics notwithstanding, economic necessity will drive the United States back to buying large quantities of Canadian foodstuffs as she did during the course of the war and until the enactment of the Emergency Tariff law. The rate at which her population is increasing will force her to depend to an increasing extent upon outside countries for staple food products.

It is the lower production costs of the Canadian farmers and grain growers which the agricultural interests of this country fear more than anything else, your correspondent is told. A price recovery here and a similar price recovery in Canada will therefore do much toward cutting the ground from under the supporters of the Emergency Tariff.

POSITION OF BANKERS TRUST

MONTREAL.—Little has been heard in connection with the Merchants Bank affair, in regard to Bankers Trust, which was organized by the Bank a couple of years ago to do its trust business, as is the case with a number of other trust companies. The Merchants Bank holds most of the stock, it is understood, but the Bank of Montreal did not purchase the Bankers Trust Co. It seems probable that the Royal Trust Co., which is closely associated with the Bank of Montreal although the latter does not own a share of the stock, will take over the Bankers Trust.

How Beck Kills Faith

ABOUT forty well-rehearsed delegates to the Ontario Municipal Electric Association rubber stamped their endorsation as "representatives of 300 municipalities" on a canned resolution of support to Sir Adam Beck. Sir Adam made one of his typical addresses which seem to satisfy the feelings of his supporters even though they make no appeal to their reasons.

This was a meeting at which Sir Adam should have given an accounting of his stewardship. Yet all he did was to give some estimates regarding Chippawa possibilities, which we doubt if even his own engineers would care to back up. As to the cost of that project he simply explained that prices had gone up since 1915. He was pleased to ignore the misleading estimates made when the work was started and on every occasion since when finances have been discussed with the Ontario government which has been advancing the money.

And this same Sir Adam Beck who now talks lightly of the estimates of 1915 being exceeded is the same Sir Adam Beck who at St. Catharines on December 20th, 1916, declared:

> "I will make the public statement here tonight—and I make this public statement as a public servant on trial—that we will build, construct and equip the Hydro Electric Power development at Chippawa and Queenston Heights within the estimated cost that we submitted to the Province of Ontario—upon which they authorized the expenditure of this enormous amount of money. We have allowed in that undertaking—as we allow in all other undertakings—25 to 30 per cent. for contingencies."

Upon the strength of that statement the municipalities should have passed a resolution asking for the resignation of the man they endorse with such monotonous enthusiasm. Sir Adam Beck admits that he was on trial. His estimates will be exceeded eight or ten times. In view of this evidence what is the verdict? What body of shareholders would endorse a general manager on such a showing?

Admit the Trust Must Go

(Continued from page 1)

Voting Trust controls the company absolutely, even if it holds only a small minority of the stock, the shareholders and investors generally will scrutinize carefully the new terms. They are not disposed, now that their eyes have been opened to the rather sinister relationship, to tolerate a continuance of the previous system in any shape or form.

In Class by Itself for Rumors

It would be absurd, however, and indicative of a callous disregard of public opinion, were any financial house to lop off a few offending branches, and leave the main trunk of the management still in control. There has been no suggestion in the preceding articles on this subject, that no other concern whose stocks are listed and whose number of shareholders is large and widely distributed, has been guiltless in the matter of interlocking directorates, where directors stood to make profits through what is sometimes termed the "milking" of the parent company, that is an overcharging for commodities furnished, or an unloading of goods on a falling market to protect the individuals from a loss. But we have no hesitation in declaring that there is no listed corporation in this country about which there have been so many discreditable rumors afloat for years past as Canada Steamship Lines, and it was the conviction that the prevalence of these rumors was a menace to the prosperity of the company in any financing it might undertake, and a constant depreciatory element for its securities, that influenced THE FINANCIAL POST in demanding that the directors "EXPLAIN OR GET OUT."

Pitiful Excuse for Reorganization

Nor was the public declaration of this policy the first one to be made. Over a year ago the situation was discussed with the company privately, and an effort made to induce the directors and management to meet publicly the rumors that were far spread, in order, if possible, that they might be set at rest once and for all. This effort failed.

Nothing further was done by this paper for over a year, in order that the management might have the fullest opportunity to arrange for securing new money. Consideration was given not only the attempts to finance in London and New York last year, and to the effort launched in Canada last fall, but the new attempt was allowed to go on for weeks, and it was only when it was clear that no real step was to be taken to "clean-up" the situation, that only a PITIFUL EXCUSE FOR REORGANIZATION had been determined on, that this paper came to the conclusion that it must speak out to save the shareholders from a disastrous failure in financing that appeared to be inevitable. Out of this has grown the presentation of a few instances where it appeared clear that certain "inside rings" had been developed for private profit, instances not easy always to detect, so skillfully at times had they been camouflaged.

Did French Government or C. S. L. Lose on This?

Enough has been brought out, however, to make it clear to the shareholders, as the real owners of the transportation property, that a thorough INVESTIGATION UNDER OATH must be forced through in order that full details may be revealed covering every instance of a vessel transaction where "inside profits" may have been pocketed by DUMMY COMPANIES, or huge COMMISSIONS paid out by the company as in the case of $150,000 for the "Collingwood," or a vessel sold to the French Government during the war from Canada Steamships fleet where the company received only $350,000 and the French Government paid $500,000.

There is only one common sense course for a financial house to pursue: REORGANIZE FIRST—THOROUGHLY—and then financing will be an easy matter. This is due the shareholders; this is due the investing public; and any firm that acts in DEFIANCE of such an elementary principle is courting disaster.

Was Insurance a Toll-Gate?

Reference has been made before to a firm of insurance brokers, G. U. Price & Co., as a concern in which directors and management of Canada Steamship Lines were believed to hold an interest, making a profit personally out of business with the Steamship Company. This company seems to have been organized some three years ago, and it has been changed once or twice since that time.

A list of the directors of the company last year contained the following names:

H. W. COWAN, a former director of Canada Steamship Lines.

F. S. ISARD, Comptroller last year, and now managing director of Canada Steamship Lines.

J. P. B. CASGRAIN, who was then, as he is now, a director of Canada Steamship Lines.

A very pertinent question the shareholders might ask of the president in regard to this company is whether he himself personally has ever benefited from dividends or profits direct, since the company was organized with a practical monopoly of Canada Steamships marine insurance; whether, indeed, he and those closely associated with him do not in reality constitute G. U. Price & Co., now G. U. Price, Limited.

Was this company not one of a number of "subsidiaries," not owned by Canada Steamship Lines, but by a group closely associated with the management, which directly or indirectly were organized for the financial advantage of the president and others?

In other words, was this not one of the TOLL GATES?———

BAD YEAR FOR MOTORS

Profits were Lowest in the History of the Industry

Never have the motor companies been subjected to so complete a change in fortunes as were most of them in the past three years, according to the Wall Street Journal. During 1919 and the early part of 1920 most manufacturers operated at capacity schedules, rolled up record profits and disbursed dividends liberally.

Throughout most of last year business was dull. In an effort to stimulate sales a price-cutting campaign was inaugurated under which several makes were reduced four times and many twice and three times. Drastic declines in raw material costs made severe inventory write-offs necessary so that in addition to deficits from operations most companies sustained heavy losses in inventories. In short, 1921 was the poorest year in history for the motor industry.

WESTERN LUMBER

The sales of lumber in January of the Canadian Western Lumber Company, which includes the Columbia River Lumber Company, show a considerable increase as compared with the sales for the same month in 1921. For the month the sales totalled 5,972,587 feet, for which $136,459 was realized, while for January a year ago the sales amounted to 3,484,473 feet, and the price realized $118,950, an increase of $17,509.

DIVIDENDS

LA ROSE MINES LIMITED

(No Personal Liability)

Dividend Notice

The Board of Directors has declared a dividend of 10%, equivalent to 10 cents per share, payable April 20th, 1922 to shareholders of record of March 24th, 1922.

The transfer books of the Company will close March 24th and re-open April 18th.

S. J. LeHuray,
Secretary-Treasurer.

Montreal, March 6th, 1922.

ATLAS BRICK COMPANY, LIMITED

Under the Direction of Interprovincial Brick Company, of Canada, Limited

Preferred Dividend No. 1

Notice is hereby given that a dividend of 2% (two per cent.) on the Preferred Stock of Atlas Brick Company, Limited, has been declared for the quarter ending March 31st, 1922, payable April 15th, to Shareholders of record March 31st, 1922.

Montreal, March 17th, 1922.

By order of the Board.

K. G. WILLIAMSON,
Secretary-Treasurer.

INTERPROVINCIAL CLAY PRODUCTS, LIMITED

Preferred Dividend No. 5

Notice is hereby given that a dividend of 2% (two per cent.) on the Preferred Stock of Interprovincial Clay Products, Limited, has been declared for the quarter ending March 31st, 1922, payable March 31st, to Shareholders of record March 25th, 1922.

Montreal, March 17th, 1922.

By order of the Board.

A. M. MARSHALL,
Secretary-Treasurer.

INTERPROVINCIAL BRICK COMPANY OF CANADA, LIMITED

Preferred Dividend No. 31

Notice is hereby given that a dividend of 1¾% (one and three-quarters per cent.) on the Preferred Stock of Interprovincial Brick Company of Canada, Limited, has been declared for the quarter ending March 31st, 1922, payable March 31st, to Shareholders of record March 25th, 1922.

Montreal, March 17th, 1922.

By order of the Board.

A. M. MARSHALL,
Secretary-Treasurer.

Canadian Woollens, Limited

Preference Shares—Dividend No. 11

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Preference Stock of Canadian Woollens, Limited, for the quarter ending the 31st day of March, 1922, payable on Saturday, the 1st day of April, 1922, to shareholders of record at the close of business, Tuesday, the 28th day of March, 1922.

By order of the Board.

WILLIAM TINKER,
Secretary-Treasurer.

Peterborough, Ont., March 21st, 1922.

CANADIAN COTTONS LIMITED

Notice is hereby given that a Quarterly Dividend of One and a Half Per Cent. (1½%) has been declared on the Preferred Shares of this Company, payable the 4th day of April, to Shareholders of record the 24th March.

Also that a Quarterly Dividend of Two Per Cent. (2%) has been declared on the Common Shares of this Company, payable the 4th day of April, to Shareholders of record the 24th March.

By order of the Board.

A. BRUCE,
Secretary-Treasurer.

Montreal, March 18th, 1922.

The Steel Company of Canada, Limited

Ordinary Dividend No. 21

Notice is hereby given that a dividend of one and three-quarters per cent. on the issued and fully paid Ordinary Shares of the Company has been declared for the quarter ending March 31st, 1922.

Preference Dividend No. 43

Notice is also given that a dividend of one and three-quarters per cent. on the issued and fully paid Preference Shares of the Company has been declared for the quarter ending March 31st, 1922.

The above dividends are payable May 1st, 1922, to shareholders of record at close of business April 8th, 1922.

By order of the Board.

H. H. CHAMP,
Treasurer.

Hamilton, Ont., March 17th, 1922.

The British American Oil Company, Limited

Dividend Notice

The usual quarterly dividend of fifty cents (50c) per share for the three months ending March 31st, 1922, being at the rate of eight per cent. (8%) per annum, has been declared on the paid-up Capital Stock of the Company.

The above dividend is payable on April 1st, 1922, in American funds, to shareholders of record at the close of business on the 28th day of March, 1922, and to share warrant holders on and after April 1st, upon delivery of coupons Serial No. 1 to the Buffalo Trust Company, Buffalo, N.Y.

By order of the Board.

A. L. ELLSWORTH,
Secretary.

Toronto, March 18th, 1922.

CITY OF VERDUN, QUE.

Sealed tenders, addressed to the Secretary-Treasurer, City of Verdun, will be received by the undersigned, until 7 p.m. April 3rd, 1922, at the office of the Corporation of the City of Verdun, City Hall, Verdun, for the purchase of the following issues of debentures:

By-law No. 179, amount $100,000.00; date of maturity, May 1st, 1941; rate of interest, 6%; payable in Montreal or New York.

By-law No. 180, amount $26,500.00; date of maturity, May 1st, 1941; rate of interest, 6%; payable in Montreal or New York.

By-law No. 181, amount $50,000.00; date of maturity, November 1st, 1941; rate of interest, 6%; payable in Montreal or New York.

The by-laws under which the above debentures are being issued have been approved by the Metropolitan Commission of the Island of Montreal, and by the Lieutenant-Governor-in-Council or by the Legislature.

The debentures of By-laws Nos. 179 and 180 are in denominations of $500.00 each; 181 of $1,000.00 each, with interest coupons attached which are payable on the 1st of May and November of each year.

Full particulars of the issues may be had upon application.

All tenders must specify accrued interest from the 1st November, 1921.

A deposit called for by law must accompany each tender.

The Council does not bind itself to accept the highest or any other tender.

The tenders will be opened on APRIL 3rd and bonds awarded under the decision of the Council.

By order of the Council.

(Signed) J. WISHART,
Secretary-Treasurer.

City Hall, Verdun, March 7th, 1922.

DIVIDENDS

Provincial Paper Mills Limited

DIVIDEND NOTICE

Notice is hereby given that dividends have been declared by PROVINCIAL PAPER MILLS, LIMITED, as follows:

Regular quarterly dividend 1¾% on Preferred Stock.

Regular quarterly dividend 1½% on Common Stock.

All payable on April 1st, 1922, to shareholders of record at close of business March 15th, 1922.

(Signed) S. F. DUNCAN,
Secretary.

HOWARD SMITH PAPER MILLS LIMITED

PREFERRED DIVIDEND NOTICE

Notice is hereby given that a dividend of 2% on the Preferred Stock (being at the rate of 8% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of March, 1922, payable on the 20th day of April, 1922, to shareholders of record at the close of business on the 10th day of April, 1922.

By order of the Board.

HAROLD CRABTREE,
Secretary.

KP-PM

HOWARD SMITH PAPER MILLS LIMITED

COMMON DIVIDEND NOTICE

Notice is hereby given that a dividend of 1½% on the Common Stock (being at the rate of 6% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of March, 1922, payable on the 20th day of April, 1922, to shareholders of record at the close of business on the 10th day of April, 1922.

By order of the Board.

HAROLD CRABTREE,
Secretary.

KP-PM

Laurentide Company LIMITED

Dividend Notice

Notice is hereby given that a dividend of one and one-half per cent. (1½%) has been declared on the Capital Stock of this Company, for the quarter ending March 31st, 1922, payable Saturday, April 1st, 1922, to shareholders of record at the close of business the 23rd of March, 1922.

By order of the Board of Directors.

W. F. ROBINSON,
Secretary.

Montreal, March 15th, 1922.

Canada Cement Company Limited

Ordinary Shareholders

Dividend No. 24

Notice is hereby given that a dividend of 1½% for the three months ending March 31st, 1922, being at the rate of 6% per annum, on the paid-up Ordinary Stock of this Company has been declared, and that the same will be paid on the 15th day of April next to Ordinary Shareholders of record at the close of business March 31st, 1922.

H. L. DOBLE,
Secretary.

Montreal, March 16th, 1922.

Abitibi Power & Paper Co., Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of the Abitibi Power & Paper Co., Ltd., payable the 1st day of April, 1922, to shareholders of record at the close of business the 20th day of March, 1922.

By order of the Board.

L. R. WILSON,
Secretary.

NIPISSING MINES COMPANY, LTD.

Head Office, Toronto, Can.,
March 20, 1922.

The Board of Directors has to-day declared a Quarterly Dividend of THREE PER CENT., payable April 20, 1922, to shareholders of record March 31, 1922. Transfer books close March 31, 1922, and re-open April 18, 1922.

P. C. PFEIFFER, Treasurer.

DIVIDENDS

The Dominion Bank

NOTICE is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1922, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of April, 1922, to shareholders of record of the 20th March, 1922.

By Order of the Board.

C. A. Bogert,
General Manager.

Toronto 17th February, 1922.

DOMINION TEXTILE COMPANY LIMITED.

NOTICE OF DIVIDEND

A dividend of three per cent. (3%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st March, 1922, payable April 1st, to shareholders of record 15th March, 1922.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 2nd March, 1922.

TENDERS WANTED

ROMAN CATHOLIC SEPARATE SCHOOL BOARD

Debentures of the City of Windsor

Sealed tenders addressed to the undersigned and marked "Tenders for Debentures" will be received up to one o'clock p.m. on Monday, April 3rd, 1922, for the purchase of the following debentures, issued to pay "School Buildings and Sites."

$260,000.00 bearing interest at 5½% payable half-yearly, and payable in thirty equal, annual instalments. The said payments are payable at the Provincial Bank of Canada, Windsor, Ont. Debentures bearing date April 1st, 1922. Purchaser to pay accrued interest, take delivery and make payments at Windsor, Ont.

No tenders necessarily accepted.

DAMIEN GOURD,
Secretary-Treasurer,
616 Pierre Ave., Windsor, Ont.

TOWN OF WAINWRIGHT, ALBERTA

TENDERS FOR DEBENTURES

Sealed tenders marked "Tenders for Debentures" will be received by the undersigned up to twelve o'clock noon, on Saturday, the 8th day of April, A.D. 1922, for the following debentures:

$6,000.00	Six and one-half per cent., maturing 15th December, 1929. Interest payable half-yearly, redeemable by drawings on interest due dates; also
$4,000.00	Fifteen-year seven per cent. debentures dated October 1st, A.D. 1921, repayable in equal annual instalments of combined principal and accrued interest.

Further particulars may be obtained from the office of Messrs. Long & Daly, 38 King St. West, Toronto, Ont. (the legality of these offerings have been passed upon by them), or from the undersigned.

H. Y. PAWLING,
Secretary-Treasurer,
Town of Wainwright, Alberta.

TOWN OF BOWMANVILLE

Debentures for Sale

Tenders will be received up to five o'clock April 3rd, 1922, for the purchase of $65,000.00 6 per cent. Local Improvement Debentures (street paving), payable in twenty instalments of principal and interest. No tender necessarily accepted.

JOHN LYLE,
Clerk.